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ABSTRACT

To help students understand consumer concepts, the guide suggests ways of using general merchandise catalogs and other community resources in the classroom. Specifically, the guide aims toward raising living standards by making consumer education part of daily life and preparing young people for economic choices. The document is presented in six chapters. Chapter I lists general objectives related to using catalogs in the classroom. Chapter II describes goals and activities in 14 areas -- values, opportunity costs, comparison shopping, advertising, product features, quality and price, returns, exchanges and service, warranties, labels and packaging, retail credit, wardrobe planning and clothing selection, home furnishing and equipment, insurance, and consumer rights and responsibilities. Chapter II suggests how to use catalog advertisements of knit sport shirts and tops, jeans, tape recorders, grooming aids, and catalog yellow pages in the classroom. Chapter IV describes other teaching techniques, including discussion questions, attitude surveys, world association, VIP profiles, individual and group projects, legislative analysis, quotations, shopping slogans, and open-end situations. Chapters V and VI suggest how community and resource materials can help students understand the role of the consumer in the community and in the economy. The appendix presents sample letters which students can use as guides in contacting outside sources. (DB)

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A Department Store in the Classroom--A Guide to Using General Merchandise Catalogs and Other Community Resources

by

Sally R. Campbell

Sears Educator Resource Series

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SO 011 748

A DEPARTMENT STORE IN THE CLASSROOM

by
Sally R. Campbell

INTRODUCTION

"With this ring I thee wed..."

And with these words a family unit is established, averaging a projected net earning power of more than half a million dollars over a forty-year period.

The standard of living which this young family will enjoy depends every bit as much on **how** that income is used as on **how much** is earned. Effective consumer education can contribute significantly to more intelligent use of income, to higher living standards, and to greater enjoyment of the income by every family member.

Sears, Roebuck and Co. believes that real life experiences in the marketplace represent a sound approach to consumer education. Because we support this concept, "A Department Store in the Classroom" was first developed and recently revised to help bring the marketplace to students in the classroom ...to make consumer education a realistic part of everyday living...to prepare young people for the economic choices they will make as adults...and to help raise the living standards of tomorrow's families.

Our thanks to the hundreds of educators who took time from their busy schedules to share ideas and let us know their needs. In every way, this second edition is your book. We hope you will find it helpful as you prepare your students for their dual roles of consumers and citizens.

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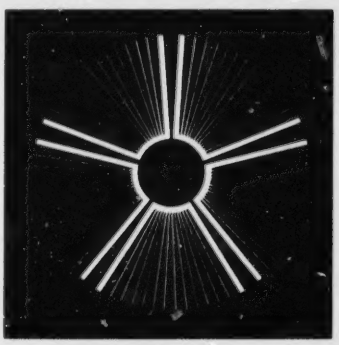


GENERAL OBJECTIVES

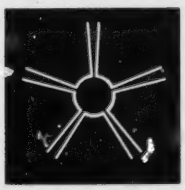
For Using Catalogs in the Classroom

Catalogs provide a visual means of bringing the marketplace into the classroom. By using general merchandise or specialty catalogs to create realistic learning situations, students can achieve specific consumer competencies in the following areas, ranging from the simplest to the most complex levels of learning.

Knowledge of:	**Comprehension of:**
terms used to describe goods and services.	product information available in catalog descriptions.
features commonly available in different products.	factors to consider when making a choice between similar goods and services.
care information for a variety of products.	steps involved in decision making as they apply to the selection of goods and services.
how to compare similar goods and services.	different types of credit plans.
prices for different goods and services.	policies and procedures related to exchanging and returning merchandise.
procedures for ordering goods and applying for credit.	provisions in warranties.

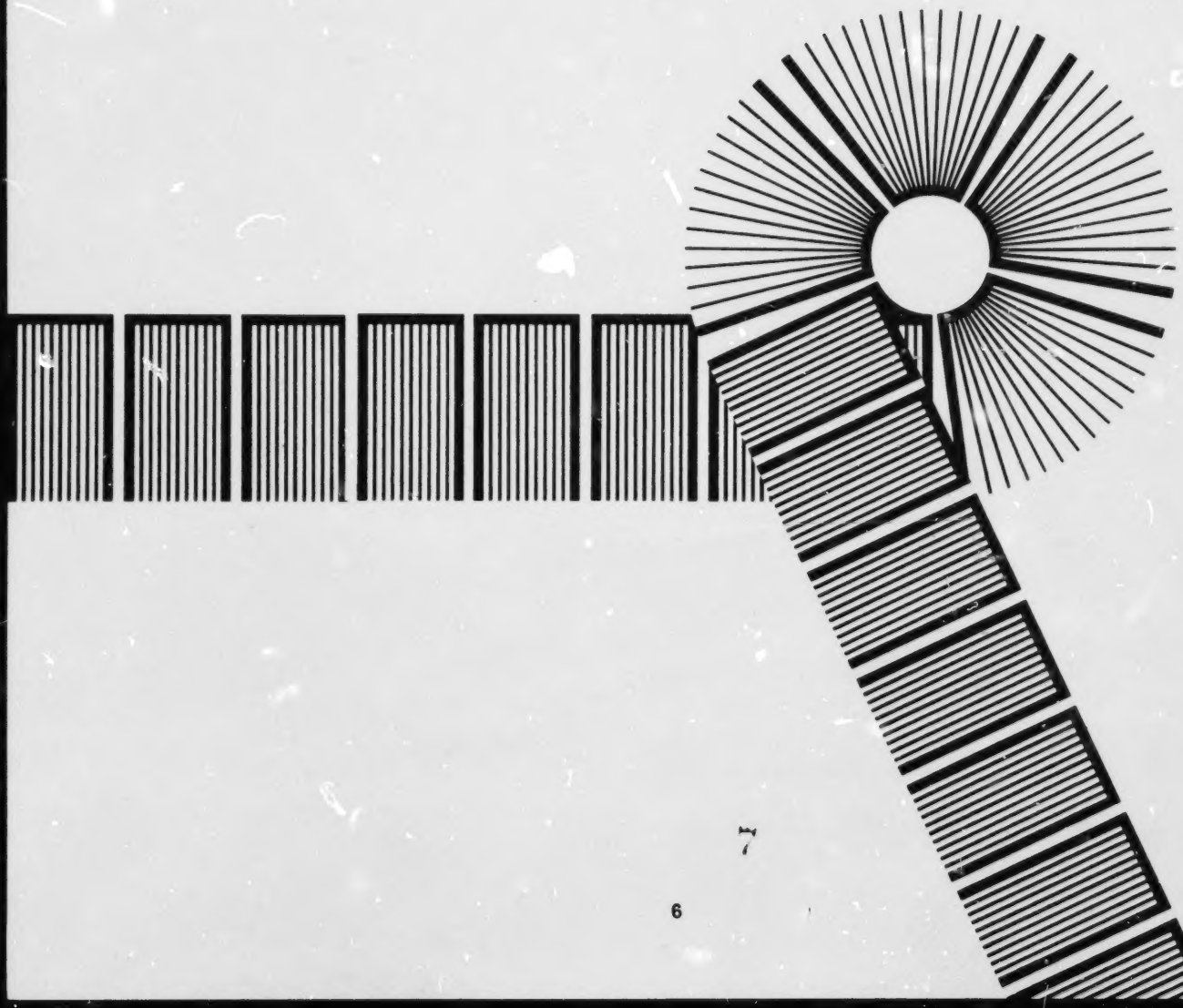
About the Author

Sally R. Campbell is a consultant on consumer education and consumer affairs whose materials appear frequently in professional publications. She is the author of the Sears Educator Resource guides, "Consumer Education in an Age of Adaptation" and "An Educator's Guide to the Three Es: Energy/ Ecology/Economics."



Application of:	Analysis of:	Synthesis of:	Evaluation of:
catalog descriptions and prices when making choices, comparative shopping and planning expenditures.	characteristics of different quality levels in a product to determine which is best suited to a specific purpose.	product descriptions and prices in formulating a plan for spending, both generally and in specific areas of merchandise such as home furnishings, appliances, etc.	general merchandise and specialty catalogs as a basis for comparative shopping and as sources of product information.
catalog instructions for ordering merchandise, using credit, filling out forms, etc.	product features to determine their purpose and utility value according to an individual's needs and wants.	use and care information as it applies to the operation and care of new purchases as well as products already owned by the consumer.	information found in catalog descriptions in comparison with other sources of consumer and product information.
product information to increase knowledge of specific product areas such as textiles, home furnishings, appliances, hardware, etc.	prices as they relate to the value of products, their value to the individual, and the buyer's income.	credit information in planning the personal use of retail credit.	catalog merchandise and selling methods in comparison with those in other retail outlets.
the principle of opportunity cost when making spending choices.	credit plans to determine which is best suited to personal needs in different situations and for different purchases.	warranty promises and provisions as a means of dealing with product failures and servicing requirements.	warranties on different products in catalogs in comparison with each other and compared with warranties on the same or similar products from other retail outlets.
	cost of credit as related to the importance or necessity of making a purchase immediately rather than waiting to buy with cash.		policies on warranties, installation and servicing of catalog selling units compared with the policies of other retail outlets.

CONCEPTS/PERFORMANCE GOALS



ENERALIZATIONS/STUDENT ACTIVITIES

Related to the Use of General Merchandise Catalogs and Other Community Resources

The core of this new edition of "A Department Store in the Classroom" is built on key concepts and related generalizations that provide a broad base of knowledge that students can apply to new situations and use both in the present and in the future.

The performance goals stated for each key concept provide direction for both student and instructor while the student activities are designed to help students achieve those goals. Finally, because effective teaching-learning situations begin with a common language to facilitate communication, words and phrases to know are included with individual concepts.

As used in this resource publication:

A CONCEPT
refers to a key or central idea to which learners can attach both meaning and feeling. Concepts provide both teacher and student with a framework for organizing, remembering and using subject matter.

A PERFORMANCE GOAL
refers to a statement of skills, understandings or behavior a learner should be able to achieve as a result of studying a concept with its related generalizations and by completing selected student activities.

A GENERALIZATION
refers to a basic truth or statement of fact that can apply to a variety of situations that can connect individual concepts into a meaningful whole—a complete thought.

CONCEPT

VALUES AND GOALS

—the ideals and principles, aims and objectives, by which people live.

PERFORMANCE GOALS

The informed consumer...

identifies personal values and goals and their sources.

understands how values and goals are formed and how they can influence consumer behavior.

applies personal values and goals to economic choices and consumer activities.

relates specific goals to the values from which they stem.

develops a plan for the use of resources according to personal values and the attainment of important goals.

reexamines his/her personal value system and related goals periodically according to changes in lifestyle.

GENERALIZATIONS

As individuals grow and develop, they build a set of values that are important criteria for present and future decision making related to goals.

Value systems grow out of a person's needs, experiences, reactions to those experiences, and adjustments to change.

A personal system of values is closely related to lifestyle, place in the life cycle, social status, socio-economic level, customs of the community, education and employment of family members, friends and associates.

The goods and services that an individual buys to meet needs and wants are one expression of values and goals.

Because economic decisions are closely related to what an individual, a family, a group and society consider to be of value, it is important that consumers recognize the part that values and goals play in the economic choices they make.

When consumers fail to analyze and understand personal motivations, they limit the satisfaction that can be gained from expenditure of their personal resources of money, time and talent.

An awareness and occasional analysis of one's values and goals can make life more meaningful and goals more readily attainable.

The more accurately individuals perceive their values, the more easily they can choose among alternatives.

Every facet of human behavior is influenced by value judgments and acts of valuing.

Similar values may lead to completely different goals among different people.

WORDS AND PHRASES TO KNOW

alternatives
attitude
behavior
beliefs
choice
conflict
culture
decision-making process
lifestyle
objectives
principles
self-concept
standard of living
status
value clarification
value system
valuing

STUDENT ACTIVITIES

Ask students to write down five or six ideals or principles they consider important and draw a relationship from these values to personal goals, objectives, behavior and spending choices. Discuss any apparent discrepencies between values and goals.

Discuss what values and goals could motivate the following consumer transactions: purchase of a compact car; a luxury car; a color television set; repayment of a debt; a 10-speed bicycle; a home improvement; hair dryer; guitar; a new fall wardrobe; life insurance; new furniture; home appliances.

Ask students to cite examples to show how the following may influence the formation of values and goals: friends and family; community; famous personalities; teachers; movies; television viewing; financial situation of self and family.

Review the following types of communications media and discuss what they reveal about our values and goals as a society: graffetti; movies; magazines; newspapers; books; radio; and television.

Have students research and contrast perceived differences in values between: rich and poor; young and old; single and married; urban, suburban and rural dwellers; lifestyles in the 1970's, the 1950's and the 1930's. Discuss which differences are actual and which are often perceived as stereotypes.

Discuss several specific goals that might evolve from the following values: happy family life; education; contribution to society; sense of personal worth; health; world peace; personal welfare; public welfare; financial security.

Debate and attempt to resolve seemingly conflicting behavior patterns or actions growing out of similar or identical values and goals such as:

Value	Goal	Action
Family life	Family well-being	• Mother works at a full-time job outside the home. • Mother decides to stay home instead of working at a job.
Earning power	Job with a good income	• Potential earner leaves school for a paying job. • Potential earner finishes school and goes on for specialized training.
Economic competence for children	Teach children to handle money	• Parents control children's spending. • Parents permit youngsters to make their own economic choices, including mistakes.

Divide the class into small groups. Ask each group to study and develop one of the following topics as it relates to values and goals:

1. "generation gap" or gulf between young and old.
2. five of the most admired and five of the least admired public figures out of 20 or more people students select from politics, entertainment, sports, education, business, government and other fields.
3. our changing spending patterns —such as greater use of credit; higher proportion of income spent for services; higher proportion of income spent for recreation and leisure activities, etc.
4. increasing numbers of working women.

Divide the class into family size groups of four or five persons. Give each group a Christmas shopping budget of $500 (more or less according to the economic makeup of your classes). Have groups research general merchandise catalogs and select gifts for each family member until all the money is spent. Discuss the underlying values and goals revealed by the choices.

Ask each student to research specific sections of general merchandise catalogs (clothing, sports equipment, entertainment equipment, appliances, etc.) with a given amount of money to spend in each category. Let each person make consumer spending choices to total the allowed amount and be prepared to discuss his or her choices and the relationship of those choices to personal values and goals.

CONCEPT

OPPORTUNITY COSTS

—the spending choices one sacrifices when using income for a specific purchase or purpose. For example, by spending $100 on a coat, one sacrifices the opportunities of using that $100 for other purposes.

PERFORMANCE GOALS

The informed consumer...

knows how the principle of opportunity costs relates to consumer choicemaking.

understands how the principle of opportunity costs applies to personal consumer decisions.

weighs alternatives according to the principle of opportunity costs when making personal choices and spending decisions.

differentiates between decisions based solely on price and those based on the principle of opportunity costs.

plans and uses a system for making economic choices on the basis of opportunity costs.

appraises purchases in terms of what will be sacrificed or what else could be purchased for the same price.

GENERALIZATIONS

Opportunity cost refers to the fact that the cost of any item must be considered not only in terms of dollars and cents, but also in terms of other goods and services one could purchase for the same price. For example:

In personal choices, the opportunity cost of a sweater could be the sacrifice of a shirt, or five movies, or two baseball games.

In business decisions, the opportunity cost of a new retail store could mean the sacrifice of a computer system, or the purchase of an existing store, or repayment of long term debt, or some other investment for the same price.

In government spending, the opportunity cost of aid to education could mean a sacrifice of space research, or aid to mass transportation, or other programs for the same price.

The principle of opportunity costs applies not only to consumer decisions but also to the allocation of resources at all levels of business and government.

The true cost of any given purchase can be defined as the sacrifice of the opportunity to make some other purchase instead.

Decisions on how much to spend on a purchase depend not only on price, but also on what other items one could buy for the same price.

Spending for one item may limit or eliminate the availability of money to spend on other items.

The principle of opportunity costs is basic to obtaining maximum satisfaction and benefit from the use of income and other resources.

WORDS AND PHRASES TO KNOW

alternative	economic decision	price	scarce resources
choice	opportunity cost	quality	supply and demand
cost	opportunity cost evaluation	quantity	trade-off
decision making		resources	unlimited wants

STUDENT ACTIVITIES

Ask students to write down five ways they would like to spend $10 and then to underline their first choice. Discuss the various ways they arrived at a decision and the values that influenced their choices as well as the way the principle of opportunity costs entered into the decision making process.

Each time we spend $5, we give up the opportunity to buy other things with that $5. Ask students to list items or services costing approximately $5 which they recently purchased. After each item ask them to volunteer at least three other ways they could have used the $5.

In family spending, one major purchase means giving up other things the family or individual family members could do or purchase with the money. Have students role play a situation in which a family is considering a $500 color television set. What other ways could the $500 be used to benefit the entire family or individual family members? Under what circumstances might the needs of an individual family member have greater priority than the needs or wants of the family as a whole?

Develop a case study about a couple who saved $1,000 that they can use for their wedding or their honeymoon or furniture for their first apartment or a used car or savings. The opportunity cost of one choice is the elimination of the other alternatives. Discuss or debate under what circumstances students would choose one alternative over all the others.

Ask students to apply the principle of opportunity costs to at least three specific choices in their personal use of time, energy and money in the week ahead. Follow up with a discussion of alternatives considered and the value of opportunity cost evaluation in making choices.

As a class project apply the principle of opportunity costs to public decisions on the use of scarce resources such as energy, water, land. If possible, relate discussion to actual decisions being made in the community.

Discuss how and why the opportunity costs principle is essential to obtain maximum satisfaction from income and other resources.

Collect recent newspaper and magazine articles on business and government spending. Analyze each article for ways in which the principle of opportunity costs might apply to the allocation (or proposed allocation) of funds.

Discuss the phrase "There is no such thing as a free lunch" in relation to the principle of opportunity costs.

Divide the class into teams and ask each team to develop a presentation for the class on one of the following points:

1. basing decisions solely on price —with examples and a discussion of when price choices are appropriate.
2. applying the principle of opportunity costs to personal choices.
3. applying the principle of opportunity costs to business.
4. applying the principle of opportunity costs to government.
5. advantages and benefits of opportunity cost evaluation for individuals, businesses and governments.

Presentations can take the form of speeches, skits, role playing, interviews, a talk show or newscast. Follow up with discussion of key points made in each presentation.

Put together a panel of community leaders and legislators to discuss the ways the principle of opportunity costs applies to decisions concerning the use of community resources including revenues, energy, water, land, people and facilities. For example, the superintendent of schools can discuss the opportunity cost of specific expenditures for the schools; a representative of the park district can outline the opportunity cost of land uses; a legislator or policy maker can discuss the alternatives in the use of energy and water.

CONCEPT

COMPARISON SHOPPING

—the process of comparing products, prices, services and operating policies of different types of retail and catalog outlets in order to make appropriate, informed buying decisions.

PERFORMANCE GOALS

The informed consumer...

knows the advantages of comparison shopping when seeking the best values for dollars spent.

uses comparison shopping as a means of getting the best values in the marketplace, particularly when buying costly or frequently purchased items.

identifies the most important factors to consider when comparison shopping for different items—quality, price, features, warranties, installation and operating costs, reputation of seller, store policies and credit terms.

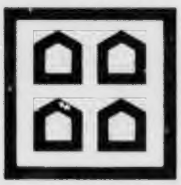
sets up and uses a workable system for obtaining comparative data on consumer goods and services through personal shopping, catalogs, telephone inquiries, advertisements and other sources.

evaluates various retail stores and catalog order houses on the basis of personal experience, comparison shopping and reputation.

GENERALIZATIONS

Comparison shopping involves looking at and comparing a specific item in several different brands and/or models in two or more general merchandise catalogs and/or retail stores.

Comparison shopping aids consumers in finding the best buy for the money and in making informed choices.



A certain amount of comparison shopping can be done at home through use of general merchandise and specialty catalogs, newspaper and magazine advertisements, and through telephone inquiries.

Depending on the product or service, factors to check when comparison shopping include quality, features, prices, warranties, operating costs, energy and water consumption, availability of repair parts, service and maintenance, delivery/assembly/installation costs, and the policies, practices and reputation of retail and catalog merchants.

Decisions on the amount of time and effort to invest in comparison shopping for a good or service depend on its price and how often it is purchased—devoting the most time spent in comparison shopping to the most expensive or most frequently purchased items.

Decisions relating to the amount of time and energy to invest in comparison shopping depend partly on the amount of money one is able and willing to spend on a product compared to one's time and energy available for shopping.

Comparison shopping is most profitable when shopping for big ticket items with widely varying prices and quality levels.

Comparison shopping can frequently lead to the purchase of products under private labels for less than the cost of comparable brand name items.

WORDS AND PHRASES TO KNOW

advertised specials
brand name
buying incentives
catalog order house
coupons
energy consumption
feature
installation costs
loss leader
model
operating costs
operating policies
premiums
price
private label
quality
rain check
retail outlet
routine purchase
selling techniques
store services
unit pricing
warranty
water consumption

STUDENT ACTIVITIES

Assign individual students to comparison shop a specific item of their choice priced at $5 or more, using general merchandise catalogs, advertisements and personal shopping trips in their research. Report to the class on differences between brands, models and stores as well as price.

On a chalkboard, list in three separate columns ten items which lend themselves to comparison shopping because of 1) high purchase price, 2) repeated purchase, and 3) large variation in price and/or quality. Discuss experiences the students and their families may have had when shopping for these items. When did comparison shopping pay off in terms of dollars saved and value received? When did it not pay?

List and discuss the advantages of comparison shopping for the consumer. Discuss and determine when comparison shopping is most and least important for different types of purchases. What are some specific buying errors that can be avoided by comparison shopping? Ask students to cite examples from their own experience.

Find descriptions of jeans, warmup suits or similar examples of unisex clothing in two or more general merchandise or specialty catalogs. Compare merchandise descriptions for clarity, puffery or lack of it, fabric and care information, garment details and/or special features, fit and ordering information. Discuss how the various styles of writing and layout encourage or discourage comparison shopping and how catalog descriptions can aid and influence consumer decision making.

Discuss and list the advantages of comparison shopping for the consumer. Determine when comparison shopping is the most important and the least important for different types of purchases. What are some specific buying errors that can be avoided by comparison shopping? Ask students to cite examples from their own experience.

Tape interviews with family members or friends who have comparison shopped for a major item such as an automobile, home improvement or major home appliance. How did they begin their search? Was the product or source recommended to them by others? Did they read about it in newspapers, magazines or in general merchandise catalogs? What sources of product information did they use? How many outlets did they shop before making a buying decision? What factors influenced that decision—reliability of the dealer, price, warranties, etc.? Were they pleased with their final selection? What will they do differently next time? Why?

Develop a "Buyer's Guide to Comparison Shopping" display for the school or classroom bulletin board. Include where to look and what to look for. If possible, follow up with an article in the school paper based on the students' experiences with comparison shopping.

Divide the class into four groups, each to use one of the following methods to comparison shop for items listed:

Methods

in-store shopping
telephone inquiry
catalog shopping
newspaper advertising

Items to Compare

- styler/dryer
- calculator
- jeans
- CB radio
- sweater
- camera
- boots
- bicycle

Follow up with a discussion session using these questions for starters:

1. What kind of information can you learn from each method of shopping?
2. Which methods are best suited to certain types of products?
3. What are the advantages and disadvantages of each method?
4. When is it an advantage to use several shopping methods to compare products before buying?
5. What experiences have students had with each method?

Develop a chart of important factors to consider when comparison shopping for a major purchase such as a moped, sound system or sewing machine. Ask students to develop and use a similar chart to comparison shop for a product they intend to buy soon. Display findings shown on charts. Discuss the value of this technique in comparing similar products.

CONCEPT

ADVERTISING

—a paid announcement designed to inform, persuade or sell.

PERFORMANCE GOALS

The informed consumer...

understands the role of advertising in our society and its impact on our economic system.

recognizes the function of advertising in informing and educating consumers about products and services; promoting and selling products, services and ideas; and printing and airing educational and public service announcements.

analyzes the motives, methods and content of advertisements and their effect on consumer decision making.

differentiates between rational and emotional advertising appeals.

reports instances of deceptive or offensive advertising to the sponsor and when necessary to the appropriate trade association, professional organization or regulatory agency.

judges the value and accuracy of various types of advertising and promotional appeals in terms of objective standards and personal needs for information.

GENERALIZATIONS

Competitive markets function most efficiently when consumers are aware of the availability, characteristics and prices of quite similar products and services.

Advertising is a necessary and useful tool for informing consumers about the wide variety of goods and services available, introducing new products and services, bringing existing products and services to the

attention of new consumers, and making educational and public interest information available.

Advertising generally is considered the least costly method of reaching the largest audience of consumers with information on products and services.

Consumers need to recognize that while advertising is a necessary source of information, it also is a seller's tool and as such is designed to present advertised goods and services in their best light and to make them as appealing as possible.

By learning to identify both the factual content and the emotional appeals in advertisements, consumers can make the most of advertising as a shopping tool and source of information.

By acquainting consumers with new products and creating a mass market for them, advertising helps encourage the capital investment necessary for innovation and mass production in a competitive market economy.

When advertising increases demand for a product, the fixed costs of production can be spread over a greater number of products and unit costs of production go down, often resulting in a lower price for the product.

The main channels used by advertisers to reach consumers are newspapers, magazines, general merchandise catalogs, radio,

WORDS AND PHRASES TO KNOW

- advertising appeals
- advertising claim
- advertising substantiation
- bait and switch
- catalog description/ catalog copy
- classified advertising
- close-out
- commercial
- competition
- corrective advertising
- direct mail advertising
- false and deceptive advertising
- marketing
- point-of-sale
- product information
- promotion
- puffery
- testimonials
- trademark/brand name/ trade name

television, direct mail, billboards and point-of-sale displays.

Advertising makes it possible to launch a new product in a mass market in competition with similar well known products.

Deceptive and misleading advertising not only is a disservice to consumers, it also damages reputable businesses and is prohibited by law.

Advertising is regulated both by self-imposed industry standards and by government agencies.

Advertising revenues pay for a very large share of public communications including radio, television, newspapers and magazines.

Public service advertising is supported by the advertising industry to educate citizens about important public issues. It serves as a positive force in improving our way of life.

STUDENT ACTIVITIES

Ask students to clip, bring to class and display a number of ads from newspapers and magazines that illustrate 1) sales advertising, 2) institutional advertising, and 3) public service advertising. Discuss how these types of advertising differ and how each is intended to influence consumer decisions, attitudes, behavior and values.

Assume advertising were suddenly prohibited. Discuss the consequences for business, consumers and the economy.

Set up discussion and debate sessions on the following quotations:

"I do not read advertisements—I would spend all my time wanting things."
Archbishop of Canterbury

"Advertisements contain the only truths to be relied on in a newspaper." *Thomas Jefferson*

"Doing business without advertising is like winking at a girl in the dark. You know what you are doing, but nobody else does." *Steuart Britt*

"Advertising in the final analysis should be news. If it is not news it is worthless." *Adolph Ochs*

"You can tell the ideals of a nation by its advertisements."
Norman Douglas

Cite and discuss specific public service ads and their value. Find out and report on 1) criteria for determining which ads qualify as "public service," 2) regulations for airing and printing public service announcements, and 3) effectiveness of public service advertising.

In a world without advertising, discuss how you would find out:

1. what movies are playing.
2. what items are selling where and at what prices.
3. when and where sales are held.
4. what and when new products are available.
5. what specials to look for in food stores each week.
6. when prices are reduced on regular and seasonal items.

Identify five "new" products or services that have come on the market in recent years. Discuss the role of advertising in launching these items. Contact a manufacturer to learn what goes into new product development and to find out where advertising fits into the overall picture. If a new store or service has opened in the community recently, interview the manager or owner to learn how advertising was used to help the business become established.

Collect a wide variety of ads from magazines, newspapers and catalogs and, if possible, tape the audio portions of TV and radio commercials. Use the advertisements in class to:

1. identify the appeals and selling techniques in different ads.
2. pick out factual, helpful content in ads.
3. set up criteria for informative, helpful, tasteful advertising.
4. rate the advertisements according to that criteria.
5. rewrite ads that come out at the bottom of the rating so that they meet criteria set up by the class.

The Federal Trade Commission (FTC) is the agency of the federal government that polices advertising while the National Advertising Division (NAD) of the Council of Better Business Bureaus administers the self-regulatory efforts of industry. Contact the FTC and the NAD (addresses on pages 62 through 65) to find out about:

1. trade regulations governing advertising.
2. industry standards for advertising.
3. types of action the FTC and NAD can take when advertising is questionable or clearly in violation of regulations or the industry code.
4. how government regulations and industry standards differ.

From the information gathered, determine in what ways regulations, standards and action are either excessive or inadequate in terms of controlling false and deceptive advertising.

Collect several advertisements for a specific product from different sources—magazines, newspapers and general merchandise catalogs. Compare the ads and analyze the information provided in each. List additional information you would need before buying the product in each advertisement.

Debate pros and cons of paid advertising in mass communications. Discuss:

1. how and to what extent advertising revenues pay for TV, radio, newspapers and magazines.
2. alternative ways to finance these forms of communication.
3. how public broadcasting compares to programs sponsored by advertising.
4. how programming might change if it were totally financed by the public rather than advertising revenues.
5. how the absence of advertising revenues might affect individuals, business, communications and the world of entertainment.

CONCEPT

PRODUCT FEATURES

—additions to or changes in the structure, form or appearance of a product designed to improve or increase its safety, convenience, economy or pleasure for the user.

PERFORMANCE GOALS

The informed consumer...

identifies sources of information about features for different types of products.

understands the potential usefulness and benefits of the features in different products.

relates product features to personal needs, cost, resources and intended end use.

differentiates between "standard" and "extra" features in different products.

categorizes product features according to their function—safety, convenience, economy, pleasure, utility, etc.

evaluates product features in terms of cost versus value prior to making a purchasing decision.

GENERALIZATIONS

Product features are generally designed to improve the safety, convenience, economy, and/or pleasure of owning and using a product.

Some features are standard while others are extra.

Extra features usually add to the price of a product.

Certain safety features are required by law on some products.

Consumers can save by buying products that carry only those features that they really need and will use.

Examples of product features according to function are:

for safety—reflectors on bicycles, double insulation on power tools, magnetic gasket door closures on refrigerators and freezers, flame resistant fabrics for tents and childrens' sleepwear, and safety lids on medicines and certain hazardous substances.

for convenience—remote controls and electronic tuning on television sets, stretch and decorative stitches on sewing machines, permanent press finishes on fabrics, self-cleaning ovens, memory functions on calculators, and automatic controls on washers and dryers.

for economy—suds and water saver systems and cold rinse cycles on washing machines, power miser controls on dishwashers, high efficiency cooling systems on air conditioners, removable control panels for servicing appliances, and dual purpose design in home furnishings.

for pleasure—color in television, sound insulation in equipment, coordinated colors for appliances, fabrics and home furnishings, prewashed and prebleached denim for jeans.

WORDS AND PHRASES TO KNOW

accessories
automatic
basic
care and maintenance
construction
convenience
coordination
economy
energy
extra
installation
price range
safety
standard
top-of-the-line product
utility

STUDENT ACTIVITIES

Review catalogs and advertisements for informative descriptions of at least five different television sets or stereo systems to determine which features are standard and which are extra. Estimate the cost and discuss the value and desirability of the extra features from a consumer point of view.

Locate and list at least three differences in:

1. a $15 and a $90 portable radio.
2. a $5 and a $15 dress shirt.
3. a $75 and a $150 bicycle.
4. a $25 and a $50 sleeping bag.
5. a $15 and a $75 pair of boots.

Discuss which of these differences can be attributed to features and which to quality level of the item.

Compile a list of 15 to 20 product features and categorize them according to the four areas of purpose and function—safety, economy, convenience and pleasure. Discuss the value of and need for the various features from a consumer point of view.

Divide students into teams, each to trace over a ten year period the development and improved features of three products chosen from the following list. Sources of information for this project include: old catalogs and magazines; old consumer education textbooks and buying guides; interviews with salespersons, parents and other adults experienced with products being traced; inquiries of trade associations and manufacturers of products being traced.

Products to be traced:

- winter boots
- raincoats
- winter jackets
- jeans
- dress shirts
- cameras
- television
- stereo equipment
- sewing machines
- automobile tires
- calculators
- video games
- ski equipment
- pool tables
- grooming appliances
- tape recorders
- CB radios
- typewriters

Have each team present its findings to the class with brief comments on how and why the most outstanding developments, new or improved features and innovations came about. Follow up with discussion. How and why are new products developed and existing products improved? What does industry spend on the research and development (R&D) that leads to new and better products? How is this process financed? What influences the amount of capital available for R&D? What is involved in launching a new product or making a major product improvement?

Ask students to interview older family members or neighbors to determine what effect the following or similar product features have had on their lifestyles:

1. permanent press fabrics.
2. automatic controls on equipment in the home.
3. coordinated colors in clothing and/or home furnishings.

Do the persons being interviewed believe these features to be important? Would they be willing to do without them again if they had a choice? Why or why not?

Investigate and report on government regulations and pending legislation related to safety features on products such as flame retardant finishes on children's sleepwear and safety requirements on lawn mowers. If possible, include present or projected costs for enforcement and administration by government agencies, for compliance by business, and ultimately, in price increases for consumers.

CONCEPT

QUALITY AND PRICE

—the level of workmanship, materials, and design that go into a product.

—the amount of money a consumer pays for a product or service.

PERFORMANCE GOALS

The informed consumer...

identifies the basic factors that determine price and quality levels of consumer goods and services.

obtains information about price and quality differences in specific goods and services before making spending decisions.

recognizes the relationship between price and quality as well as between price and non-quality factors such as customer services, operating policies of sellers, selling costs and sales volume.

plans what and how much to buy according to current prices of goods and services in relation to spendable personal income.

establishes criteria to use when deciding which quality levels and features of specific products are best suited to the different end uses the products will receive.

compares prices of similar goods and services at different quality levels and from different sources.

GENERALIZATIONS

To make satisfactory purchasing decisions, consumers need to relate the price they pay for a product or service to its quality and to their needs and reasons for purchasing it.

Consumers can evaluate products for their own purposes not only according to price and quality, but also according to brand names, labels and packaging information, advertising claims, warranties, prior experience with the product, advice of salespeople and other sources of product information.

Prices of goods and services determine how much the consumer can buy with a given income.

The price system in our market economy determines to a large extent how scarce resources will be used and how limited supplies of goods and services will be divided among consumers.

Prices for identical merchandise may vary from seller to seller for a variety of reasons, including customer services, operating policies, sales volume and other factors affecting the seller's cost of doing business.

Mass retailers are often able to offer quality merchandise at lower prices because of the economies they achieve through large volume buying, marketing, processing, distributing and merchandising.

Retailers stock merchandise at various price levels to accommodate customers at various income levels who have different needs and who want different levels of quality and utility in the goods they purchase.

Because different quality levels are suitable for different uses, consumers can often save by buying the lower quality when it suits the intended end use of the product.

Private label or store brand merchandise may offer quality comparable to that of higher priced nationally advertised brands.

WORDS AND PHRASES TO KNOW

brand name	materials	standards
design	model	supply and demand
discount	private label	unit price
economy of scale	profit	utility
end use	quality control	value
features	retail price	wholesale price
loss leader	sale	workmanship
markup	seasonal	

Services also may be evaluated in terms of quality as it relates to standards of performance and reliability, qualifications and experience of persons performing the services, and facilities and equipment required to perform the services.

Because the prices of seasonal goods may vary widely at different times of the year, the timing of such purchases can be an important factor in getting the most for the money.

The availability of service and/or repair parts as well as the location and convenience of the seller may outweigh the importance of price when shopping for certain goods and services.

Loss leaders refer to merchandise offered at low or no markup to draw customers to the store in the hope that they will buy other goods and services at regular prices as well as the loss leader.

The price of goods and services must be high enough to offset the losses businesses suffer from shoplifting, default on credit accounts, damage to merchandise, unfair returns or exchanges. Consequently, all consumers pay a price for the abuses, carelessness and dishonesty of a few.

In periods of inflation, the prices of goods and services go up without a corresponding increase in the quality features and quantity one can buy for a given price.

Excessive demand for and scarcity of specific goods and services tend to increase prices while falling demand or overabundance tend to reduce prices.

While **quality** and **features** may be related in terms of customer satisfaction, they are two distinct factors that need to be considered separately in making purchasing decisions.

Example 1

A manufacturer produces two models of automatic washers. Both are 14-lb. capacity models and have similar convenience and utility features. The difference between the models is that one is made of lighter gauge metal, has a less substantial agitator and is painted rather than coated with porcelain enamel. The difference in materials produces a **quality** difference between the two products.

Example 2

A manufacturer produces two models of automatic washers. Both are 14-lb. capacity models, and are made of the same quality of materials and to the same standard of workmanship. One model, however, has several additional features such as more cycles, infinite water level control, bleach and fabric softener dispensers, self-cleaning lint filter, etc. Since both models are made to the same standards of material and workmanship, they are really of the same basic quality as that term is generally interpreted. Although the fact that one model will "do more" or is more convenient to use might possibly be looked upon as higher quality, this term is likely to be confused by the consumer with the basic quality of material and workmanship. In reality, the two washers are manufactured at the same quality level but serve different consumer needs and desires in terms of utility and convenience. This is a difference in the features of the two models.

Example 3

A manufacturer makes two models of automatic washers. The models are identical in materials, workmanship and features. One is a 14-lb. capacity washer for use in the typical household. The other is an 18-lb. capacity machine for those purchasers who have a specific need for a very large load capacity as for large family or motel use. The larger machine would generally not be suitable for the typical family because extra hot water and detergent would be used without gaining any real benefit from the extra capacity. A consumer might think the 18-lb. capacity is of higher quality because it is bigger and costs more. However, the two automatic washers are really of identical quality, but were designed to serve different needs and uses. This represents a **utility** difference unrelated either to quality or features.

STUDENT ACTIVITIES

Examine general merchandise catalog descriptions and illustrations for the following products to discover the differences in each product at different price levels:

color television	suitcases
sport shirts	tennis shoes
jeans	auto tires
winter jackets	microwave ovens

portable radios

Review the differences and discuss whether they are related to quality, features, demand or other factors.

Divide the class into "couples" starting their first home. Ask them to write down all the things they would want to set up housekeeping and to estimate the price of each item. Check estimates against actual prices in general merchandise catalogs. Then assign the couples different home furnishings allowances ranging from $1,000 to $3,500. Ask each couple to use actual prices from catalogs and to indicate:

1. what items they can afford from their original list.
2. what they would eliminate or postpone.
3. what they would buy on credit and why.

Compare decisions made by different couples and consider when and how those decisions are related to values, needs, price, quality, features, allowances and other factors.

Obtain several general merchandise catalogs from different sources for the class to examine. Follow up with a discussion of:

1. advantages and disadvantages of shopping from catalogs.
2. differences among the catalogs in descriptions, ordering information, prices, supplementary information.
3. price comparisons of similar merchandise in catalogs and in retail stores.
4. ways consumers can use information from catalogs as an aid when shopping in stores.

Examine catalogs to learn price and quality differences for the following items plus six other products chosen by the class:

camera	stereo
snow boots	wall paint
bedspread	tennis racket

Follow up with a discussion and examples for each item to show:

1. when top quality would be the best buy.
2. when lower quality would be the best buy.
3. when middle of the line would be the best buy.

As a class project, establish criteria for judging the quality of services. Apply the criteria to the following services and revise as needed to make criteria applicable to different services.

dry cleaning	banking
hair cuts	child care
health care	house cleaning
home decorating	music or art lessons
legal advice	car repairs
credit	appliance repairs

Write the following quotation on a chalkboard for discussion and debate: "Everything is worth what the purchaser will pay for it." Explore 1) when the statement is true, 2) when it is false, and 3) what circumstances might affect it such as price controls and price fixing, or a monopoly or oligopoly.

Have students write down at least five things they would like to buy within the next three months, then estimate each item's selling price. Check estimates against actual prices in general merchandise catalogs and local retail stores.

Using the price lists from the previous exercise and general merchandise catalogs from one or more seasons past, have students compare prices for the same or similar items. Explore and discuss reasons for price increases or decreases.

Divide students into teams to shop at least four different places including catalogs for the following items or others of their choice:

down-filled winter jacket
automobile battery
CB radio
hand-held calculator

Ask students to report on differences in price, quality, features and services offered in each selling unit. Discuss what factors other than price might influence their final purchasing decisions.

Divide the class into small groups to explore several types of shopping facilities including catalog merchants to determine the types of services each offers customers such as exchange and return privileges, telephone orders, deliveries, credit, etc. Develop a checklist to use for this purpose. Ask students to compare prices as well as customer services. Report findings to the class and discuss 1) advantages and disadvantages of each type of shopping facility, and 2) the relationship between prices and the customer services offered.

Ask volunteers to bring articles to class that they or their families purchased recently through general merchandise catalogs. Compare the actual items with the catalog descriptions. Evaluate the adequacy and accuracy of the descriptions with regard to ordering information, quality and utility, features, colors, sizes and other information buyers need to make choices.

Discuss at least three reasons why prices for the same or similar merchandise may be different in different stores or catalogs. In what ways do different merchants compete with one another? How can consumers use this competition to their advantage? When might it be to the consumer's advantage to pay more than the lowest price for a given product?

As a special class or group project, trace a locally manufactured consumer product from the manufacturer to the consumer. Report to the class on costs involved each step of the way.

Have students investigate and report on seasonal price changes and their relationship to the principle of supply and demand. Discuss how consumers can save by seasonal shopping. Ask for examples.

CONCEPT

RETURNS, EXCHANGES AND SERVICE

—after sale corrections, adjustment and repairs that vary according to the merchandise involved and policies of the seller and/or manufacturer.

PERFORMANCE GOALS

The informed consumer...

knows the proper procedures to follow when making necessary returns and exchanges of merchandise or when requesting servicing.

recognizes the problems and costs involved in returning and exchanging purchases and requesting unnecessary service calls, both for the consumer and the seller.

finds out a seller's policy on returns, exchanges and servicing before buying.

distinguishes between legitimate and illegitimate returns and exchanges.

follows use and care instructions to increase satisfaction with products and to minimize the need for servicing.

WORDS AND PHRASES TO KNOW

abuse or misuse of merchandise
adjustment
credit to account
customer complaint
customer service
estimate
evidence of purchase
exchange
goodwill adjustment
maintenance agreement
non-returnable
operating instructions
owner's manual
performance
refund
register receipt
replacement
return
sales slip
satisfaction
service call
service history
statement
store policy
warranty

GENERALIZATIONS

Most consumers find it necessary occasionally to return merchandise for exchange or credit.

Both consumers and retailers benefit when returns, exchanges and requests for servicing are handled properly and kept at a minimum.

Consumers protect their own interests by finding out a store's policy on returns, exchanges and service before making a purchase.

Reputable firms follow fair policies on returns, exchanges and servicing because they consider retaining customer goodwill for future purchases more important than making a quick profit from unsatisfactory transactions.

Returns, exchanges and requests for service are most effectively handled when consumers promptly return to the dealer who sold the product with all pertinent details, including the original sales slip showing the date of purchase, the date on which the problem arose or the reason for the return, a description of the problem and, if possible, the merchandise itself with identifying tags and labels. In the case of large appliances or equipment that must be serviced in the home, include identifying model numbers of the product.

Consumers can resolve problems and complaints most effectively by reporting difficulties and requesting servicing in an

unemotional, businesslike manner that demonstates their sincerity and determination to seek adequate redress as quickly as possible.

Many larger retailers and catalog order houses have a "one company" policy that allows a customer to bring merchandise to any of the company's units for return or exchange or to arrange for servicing, regardless of where the merchandise was originally purchased.

Some products, particularly appliances, require installation and occasional servicing after purchase.

Consumers protect their own interests when they check the seller's responsibility, qualifications and charges for installing and servicing appliances and equipment before buying.

Use and care instructions in owner's manuals, when carefully followed, help keep the need for servicing at a minimum and help prolong the life of the product.

Unnecessary service calls add to the costs of doing business and reduce the efficiency of appliance service centers. As a result, the consumer pays more for servicing and may experience difficulty in obtaining service when needed.

Because it is costly to keep service trucks on the road and to make service calls, consumers normally are billed for a service call even if the appliance is found to be in working condition and is merely unplugged or not properly set for operation.

Consumers can frequently eliminate unnecessary service calls and charges by checking an appliance carefully and reviewing operating instructions before calling for service.

Service contracts or maintenance agreements offer one way to plan ahead for service and repairs when needed.

STUDENT ACTIVITIES

Ask students to brainstorm and list circumstances that might make it necessary or desirable to return or exchange merchandise. Follow up with discussion of experiences of students and their families with returning and exchanging purchases.

Ask students to describe situations when they or their families wished to make a return or exchange but did not do so. What feelings or reasons did they have for not doing so? How could the matter have been resolved to their satisfaction? What consumer rights or responsibilities were involved?

Write down legitimate reasons for returning or exchanging purchases on the chalkboard. In a second column, write down dishonest reasons for making returns and exchanges. Discuss and determine what constitutes a legitimate reason for returning or exchanging purchases, who ultimately pays for the extra costs incurred by business for returned merchandise, and how returns and exchanges can be minimized.

Assign students to write straightforward, businesslike sample letters to accompany merchandise being returned by mail. Include the following:

1. name, address and telephone number of the person making the complaint.
2. a description of the product including such special identifying information as a catalog number, appliance model number, etc.
3. a clear description of the problem.
4. the name and address of the store or catalog merchandise distribution center that sold the product and the date purchased.
5. copies (never originals) of sales receipts, statements, etc., showing proof of purchase.
6. a proposed fair and realistic remedy—refund, repairs, replacement or apology.
7. the account number, if the merchandise was charged. Inform the store that payment will not be made without a satisfactory adjustment.

Ask for volunteers to write "nasty" letters to accompany returned merchandise or complain about service. Contrast these letters with the constructive letters written by the rest of the class in the previous exercise. Discuss which might receive the most courteous and efficient treatment. Why?

Discuss what consumers can do when disputes over returns and exchanges cannot be resolved satisfactorily between customer and seller. Investigate the recourses available through community organizations, local, state and federal government, trade associations, newspaper action lines, etc.

Review general merchandise catalogs and visit the customer service departments of several stores to find out their policy on returns, exchanges and refunds. Report to the class on how consumers can find out policies and practices of different sellers, how policies and practices differ among different sellers, and what factors account for the differences.

Ask class members to role play and later discuss the following situations from the point of view of the customer and the salesperson or store:

1. Late in May a customer returns

a pair of skis that were purchased on sale the previous January.

2. After wearing a raincoat one time, a customer decides that he or she doesn't like it. The customer puts the tags back on the coat and returns it for a refund.

3. A customer buys a pair of jeans on sale without trying them on. Later, after finding they don't fit, the customer wants to exchange them for the same style in a larger size. The salesperson refuses to accept the return for exchange because it is sale merchandise.

4. A customer buys a tape recorder and later discovers it doesn't work. The store refuses to refund the money because it has a "no refund, no exchange" policy.

5. A customer buys an inexpensive and fairly fragile chair for a family room. It falls apart with heavy use. After replacing the chair once, the store refuses to do so a second time and offers instead a partial refund of the original purchase price.

6. A customer buys a rebuilt bicycle that the salesperson states is "fully guaranteed." When it breaks down after a week and the customer returns it to the store for repairs, he is told that the warranty covers parts only and not labor.

Ask several students to tape interviews with parents or friends of the family who have had experience with installation and servicing of equipment in their homes. Were they aware of servicing and installation requirements prior to purchasing the item? Was additional electrical or plumbing work necessary before it would perform properly? Were other additional costs involved? Could they have been avoided? When the need for service arises, what do they feel is the most satisfactory way of getting it? Have they encountered problems that could have been avoided by reading the owner's manual prior to making the request for service? Play the interviews for the class and discuss how these problems might have been avoided and what individual students would do in a similar situation.

Industry figures indicate that one out of three service calls is unnecessary. Assign several students to conduct a survey of local service centers to determine how many unnecessary calls are made in an average day, week or month and how the consumer could have avoided the call. Report findings to the class. Discuss and try to determine what can be done to reduce the number of unnecessary service calls by 1) manufacturers, 2) sellers, 3) service centers, 4) consumers.

Ask the class to develop a list of things to check on various appliances and equipment before calling a service center. (This type of information is often printed in owner's manuals for different types of equipment.)

Unless an appliance is under warranty or covered by a maintenance agreement, consumers usually must pay for a service call, even if the service person does no more than plug in the appliance. Discuss whether or not this is fair and why. Bring out the costs involved in responding to a call for service—service truck, tools and equipment, personnel, etc.

Manufacturers may deny responsibility for product performance when the product is not installed and serviced by an authorized or approved service center. Ask the class to discuss the pros and cons of this position.

Set up and tape an interview with persons who handle customer complaints for a large store to learn firsthand some of the experiences on the other side of customer dissatisfaction. Find out specifically:

1. what types of complaints are most common.
2. what complaint procedures are most effective and easy to handle.
3. what procedures are most unreasonable, ineffective and difficult to handle.
4. what mistakes or omissions are most frequent from complaining customers.

Ask students to check general merchandise catalogs to locate and list at least ten products that would require installation and possible servicing after purchase. Under each item list installation and service information found on the page where the item is described. Also review the center pages of large catalogs to locate any additional general and specific service and warranty information related to that item. Discuss how this information might be useful in making buying decisions.

CONCEPT

WARRANTIES

—the seller's or manufacturer's written promise to stand behind merchandise and service.

PERFORMANCE GOALS

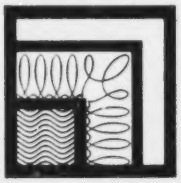
The informed consumer...

knows the key provisions in the Magnuson-Moss Warranty Act that work in the interest of consumers.

understands the importance of checking and comparing warranty coverages on similar products before buying, particularly for expensive purchases and appliances that may require servicing.

reviews the terms of warranties in light of anticipated servicing needs and intended use of the product being evaluated for purchase.

differentiates between FULL, LIMITED and IMPLIED warranties and SERVICE CONTRACTS.



maintains records showing proof and date of purchase of warranted items and knows the procedure to follow in obtaining warranty servicing, repairs and replacements.

compares warranty information supplied by retailers and manufacturers to determine who issues the warranty and their location, what is covered, for how long, what is not covered, the warrantor's responsibilities, and what the buyer must do to obtain warranty coverage.

WORDS AND PHRASES TO KNOW

- compliance
- consequential damages
- consumer products
- content disclosure
- date of purchase
- full warranty
- implied warranty
- labor
- limited warranty
- maintenance agreement
- parts and properties
- penalties
- performance
- satisfaction
- service contract
- warrantor
- warranty terms

GENERALIZATIONS

One of the basic purposes of a written warranty is to protect the consumer against defects in material or workmanship that cannot be readily detected prior to purchase and that may become apparent only after a product has been used.

Warranty coverage is both a competitive factor and a cost factor from the point of view of business. Better warranties can contribute to increased sales in competitive markets while broader coverage can contribute to higher operating costs.

When consumers read and study warranties, they know in advance what to expect in the way of servicing, repairs and adjustments for faulty merchandise.

Under the Magnuson-Moss Warranty Act, all warranties must be easy to read and understand with every term and condition of the warranty spelled out in writing. However, the Warranty Act does not **require** a manufacturer or seller to offer a written warranty although some state and federal laws do require warranties on certain products.

When evaluating warranties, consumers need to know what product, part of a product, or performance is warranted, for how long and by whom, what will be done in the case of failure and what the buyer must do to make the warranty good.

Under the Magnuson-Moss Warranty Act there may be only two types of written warranties on products costing $15 or more—FULL and LIMITED.

FULL warranties require the warrantor to:

- make necessary repairs at no charge to the purchaser.
- clearly write out the limits of his responsibilities.
- make no limits on "implied warranties."
- offer a complete refund or free replacement if the purchaser is not satisfied.

LIMITED warranties qualify the time and extent of the warrantor's responsibility, fail to meet federal standards for FULL warranties and must be labeled LIMITED.

IMPLIED warranties are rights created by state law and mean that products must meet two conditions:

- merchantability—the product must be in working order when sold or else it must be labeled as not working or "as is."
- fitness of purpose—the product must be "fit" for its intended or ordinary use.

IMPLIED warranties hold even if there is no written warranty with the product while a LIMITED warranty can impose limits in writing on the rights consumers have under implied warranties.

Door-to-door sellers are required to give prospective customers copies of complete warranties before they can sell them warranted merchandise.

Catalog order houses must provide, upon written request from customers, a free copy of warranty statements for products covered by a specific written warranty that is offered in current catalogs.

Many general merchandise and specialty catalogs include a section that spells out warranty terms on different types of products carrying written warranties.

Consumers often can buy service contracts or maintenance agreements for major appliances that offer protection beyond the warranty coverage.

Consumers can protect themselves from warranty misunderstandings by reading warranties carefully before they buy.

STUDENT ACTIVITIES

Investigate and outline the responsibilities for product performance and warranty servicing on the part of 1) the manufacturer, 2) the seller, 3) the consumer, and 4) the serviceman. How are responsibilities related? Discuss why communication and cooperation among various parties is necessary for satisfactory performance and servicing. What can happen when communications break down between manufacturers and retailers? Between retailers and consumers? Between retailers and service centers? Between consumers and service personnel? Between manufacturers and service centers?

Investigate existing regulations and pending legislation covering product warranties. Discuss advantages and disadvantages of each bill for the manufacturer, the retailer, the consumer and the service organization.

Collect warranties from a number of different types of products and evaluate them in terms of adequate coverage, clarity and ease of understanding and ease of obtaining promised remedies.

Write for classroom quantities of the publication "Warranties: There Ought to be a Law..." available from the Federal Trade Commission, Legal and Public Records, Room 130, Washington, DC 20580. Using information in the leaflet, draw up a checklist of "What to Look For..." when evaluating different types of warranty coverage.

Bring to class examples of warranties from electro-mechanical products (such as sewing machines, television sets, CB radios, cassette players, etc.) purchased prior to implementation of the Moss-Magnuson Warranty Act of 1975. Compare these older warranties (often printed in owner's manuals) to warranties for the same or similar product that are often found adjacent to the product description in general merchandise catalogs. Develop a chart to show ways the pre- and post-1975 warranties are similar and ways they differ. Discuss how passage of the Warranty Act helps consumers make more informed buying decisions.

Divide the class into groups to research general merchandise catalogs for the warranties offered by a category of products such as recreation equipment, sound equipment, major home appliances, automotive equipment, etc. Report back to the class on which items offer FULL warranties, which offer LIMITED warranties, which combine the two and which are covered by IMPLIED warranties. Discuss the terms of the various types of warranties—what is covered, for how long, by whom, what will be done in case of product failure and what steps the buyer must take to be covered by the warranty.

Compare warranty coverage for a line of similar products from the same manufacturer or retailer such as paints, television sets, tires, or ladders, etc., ranging from lowest cost to most expensive. Discuss how warranties for each item in the line of products are similar to the others and how they may differ with the more expensive products that contain more features. Include parts and labor covered, time or wear limitations if any, and factors influencing implied warranties such as "heavy duty" or "commercial" versus "light" or "household" grade.

Many retailers and automobile dealers offer service contracts (maintenance agreements) to customers who desire to purchase them for extra protection on "big ticket" items that may be costly to repair after the warranty expires. As a class project interview salespeople and/or customer service representatives to find out what items they recommend for this extra coverage, what the service contract covers and the cost per item for each year of the contract. If possible, obtain literature explaining the different contracts. Compare the coverage in the service contract to a warranty for the same item. Draw up a three-year chart showing what repairs will be covered by a warranty and those that would have to be covered by a service contract or paid for by the customer. Discuss the advantages and disadvantages of paying an extra fee for this type of protection.

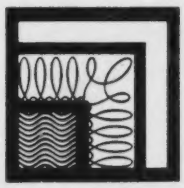
Interview family members and friends who have had major repairs done on such items as furnaces, home appliances and automobiles while these products were still under warranty. What were their experiences with the type of service they received? Interview an equal number of people on their experiences with repairs on items out of warranty. What were their experiences? Were any of these repairs covered by service contracts? If the persons interviewed did not have service contracts, would they do so in the future? Why or why not?

Tape interviews with managers of various service centers authorized by manufacturers and retailers to honor warranty claims. Cover the following:

1. What problems do they and their customers encounter most frequently in relation to warranties?
2. What responsibilities do consumers have to help insure satisfactory warranty coverage?
3. What steps do they take when the customer is not satisfied?

Research the availability of warranties at point-of-sale in the community. Include automotive dealers, department stores, catalog order units, appliance stores, sports equipment stores and camera and radio and television stores. Is the warranty information easily available to the average customer? Where is it located? Is it easy to compare warranty coverage for different items in the same product line? Discuss how use of point-of-sale warranty coverage can help consumers.

Using information obtained in researching point-of-sale warranties, develop a series of articles for the school paper telling other students how they can make warranties work for them. Use products they would normally buy such as calculators, bicycles, etc. as examples.

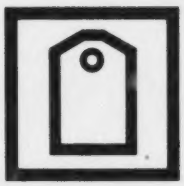


CONCEPT

LABELS AND PACKAGING

—written, printed or graphic message appearing on products or on containers holding products.

—carrier or container of merchandise or products such as boxes, cans, envelopes or blister packs.



PERFORMANCE GOALS

The informed consumer...

knows how to read and use consumer information on labels and packages to make satisfactory buying decisions.

recognizes the cost factors involved in labeling and packaging.

applies use and care information on labels and packages to assure the most satisfactory performance of merchandise.

distinguishes between useful information and selling messages on labels and packaging.

compiles information from labels, packages and other sources such as catalog descriptions, point-of-sale literature and product ratings and uses the data to make appropriate and satisfactory buying decisions.

GENERALIZATIONS

Labels and packages often provide important consumer information on the selection, use and care of products.

The Fair Packaging and Labeling Act of 1966 provides a uniform method of describing the content and quantity of packaged and labeled products to help consumers make quick, informed value comparisons among similar products.

The Fair Packaging and Labeling Act requires that the information on labels and packages clearly states 1) what is in the package, 2) how much is in the package, and 3) who makes or sells it.

The Fair Packaging and Labeling Act applies to all labeled or packaged commodities produced for sale or use by the public for consumption, personal care or household cleaning.

The term "principle display panel" is that part of the label or package most likely to be displayed, presented, shown to or examined by consumers.

The principle display panel of a label or package must identify the product in terms of its common or generic name.

Information to look for on packages and labels includes:

- name and address of the manufacturer or seller.
- name of the product.
- net quantity of contents.
- merchandise features, benefits or advantages.
- prices.

WORDS AND PHRASES TO KNOW

biodegradable
bubble pack
common or generic name
content
disposable
fiber content
hangtag
identity
ingredients
label
net quantity
nutrient value
open dating
package
permanent care labeling
point of purchase

- warning and cautions.
- use and care instructions.
- ingredients, fiber content or components.
- installation requirements.
- stock or style number, size, weight, color information.
- warranty terms.
- factory identification number, lot number or cut number identification.
- country of origin.

Packaging and labeling information required by the law varies with the product and its intended use.

The government agencies that enforce packaging and labeling laws vary with the product and its intended use.

Consumers can obtain better performance, longer product life and greater personal satisfaction by carefully following use and care directions appearing on labels, packages or other materials accompanying products.

Consumers are more likely to refer to and follow use and care instructions if they set up some system for filing or keeping the information on hand for ready reference as needed.

Goods imported for sale to the public must state the country of origin on the package label.

Wearing apparel and certain other textile products must carry permanently attached care labels. Care instructions for these products also appear frequently in general merchandise catalogs.

Energy and environmental issues related to labeling and packaging of consumer goods are receiving increased attention from concerned citizens, organizations and legislators.

STUDENT ACTIVITIES

Contact the following federal agencies (regional offices or the Washington address on pages 64 and 65) to request information and publications on the labeling and packaging laws each enforces: Federal Trade Commission, Food and Drug Administration, Consumer Product Safety Commission, and United States Customs Service. Use the materials received to find out:

1. what labeling and packaging laws each agency enforces.
2. key provisions in each law.
3. how the laws are administered and enforced.
4. what each law does for consumers.

Divide the class into four groups, each to represent one of the following interests in packaging and labeling: manufacturers, packaging designers, retailers, consumers. Set up criteria that would meet needs and interests of each group in the packaging and labeling of the following products:

- suntan lotion
- knit shirt
- pantyhose
- auto tires
- potato chips
- lighting fixture
- hair spray
- raincoat
- upholstered chair

Ask the groups to draw up sample labels for each product and to describe how they would package each item that requires packaging. Check the labels against the requirements of existing labeling laws to see if they comply. Compare labels and package descriptions with actual labeling and packaging of the products in the marketplace. Discuss the differences. Compare also each group's proposed labels for each product to determine how the proposals reflect the interests of the group presenting them. Discuss the differences and try to develop labels that will be acceptable to all four groups.

Ask students to bring to class labels and packages from products they and their families have purchased in the following categories:

- food
- clothing
- furniture
- toys
- cosmetics and grooming aids
- over-the-counter drugs and medicines
- insecticides or other hazardous substances
- major appliances

Use the labels and packages for display, analysis and as a basis for discussing:

1. how and why information on labels and packages differs for products in different categories.
2. what information students expected to find on labels and what surprised them.
3. what information is required by law and what is voluntary.
4. what information is primarily in the interest of the buyer and what is primarily in the interest of the seller.

5. what are some of the costs involved in the labels and packages on display.

While labels and packages provide important point-of-sale information, catalog descriptions and illustrations provide similar information for products purchased by phone or mail. Compare these two sources of product information and compare the descriptions in different specialty and general merchandise catalogs. Consider similarities, differences, adequacy and inadequacy of data provided.

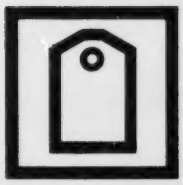
Contact manufacturers, package and label designers and retailers for their view on labels and packaging as it relates to:

- selling products
- informing the buyer
- protecting the product
- complying with laws and regulations
- controlling costs of labeling and packaging

Techniques to use in presenting information to the entire class include taped interviews, live panel presentations or talk shows, written statements or oral reports.

Assign volunteers to identify, investigate and report on environmental and energy issues related to labeling and packaging of consumer products.

Ask class members to bring in older colored tee shirts with permanent care labels attached. Compare the labels for fiber content and care information as well as the condition and readability of the labels after several washings. Why might care instructions vary depending on fiber content? If students must choose between "Hand Wash Separately" and "Machine Wash Warm," how would it affect their buying decisions if they were to do their own laundering? Ask class members who do their own or the family wash to discuss their experiences in following or not following permanent care instructions. Discuss: 1) consequences of failing to follow directions, 2) consumer recourse when recommended care does not produce satisfactory results, and 3) penalties for mislabeling and extra-cautious labeling recommendations, such as "dry clean only" for washable clothing.



Contact the Consumer Product Safety Commission for a listing of potentially dangerous consumer items. Using this list, have teams of students research the packaging and labeling of those items to learn: 1) what warnings and cautions appear, 2) whether hazards, warnings and cautions would be obvious to the buyer at point-of-purchase and later during use of the product, 3) what benefits and/or disadvantages existing cautions and warnings present to the consumer, and 4) what the manufacturer or retailer could do to alert consumers to potential product hazards. Consider also the advantages, disadvantages and costs involved, in either banning or "people-proofing" all potentially hazardous products such as knives, bicycles, ladders, insecticides, matches, cars, aspirin, guns, etc.

CONCEPT

RETAIL CREDIT

—the granting of credit buying privileges to individuals and families for meeting current needs and wants out of future income.

PERFORMANCE GOALS

The informed consumer...

recognizes the value of credit as a financial tool to help consumers achieve a satisfying lifestyle and recognizes the dangers and consequences of misusing that tool.

understands the different types, sources and costs of consumer credit for different purposes.

chooses appropriate procedures when applying for and using credit, interpreting monthly statements, keeping necessary records, and making payments.

knows the responsibilities involved in the use of credit and in meeting terms of credit contracts.

analyzes personal needs, expenses and present and future income to determine when and how to use credit advantageously.

weighs alternatives to the use of credit in different situations and for different purposes.

is aware of basic provisions in the laws that outline rights and responsibilities of creditors, credit users, credit reporting agencies and debt collectors as related to consumer credit transactions.

WORDS AND PHRASES TO KNOW

annual percentage rate
average daily balance
balance
billing date
cash credit
charge account
closing date
collateral
conditional sales contract
consumer credit
consumer reporting agency/credit bureau
credit application
credit card
credit contract
credit rating
creditor
debtor
declining balance
default/delinquency
deferred payment price
down payment
finance charge
installment
repossession
retail credit
revolving credit

GENERALIZATIONS

Consumer credit permits the use of future income to satisfy present needs and wants.

Credit is granted, in large part, on the faith of the lender in the applicant's ability and willingness to pay bills regularly and on time.

There are three basic kinds of retail credit in use today—regular charge accounts, installment or closed-end payment plans, and revolving or open-end plans.

Each type of credit is designed to meet a different consumer need.

When consumers know and understand the different forms of consumer credit, they are better able to select the form suited to their particular needs according to what they intend to buy and how they want to pay for it.

Careful reading of credit application forms and agreements before signing them enables consumers to better understand the responsibilities and obligations they assume when using credit.

Credit costs money for both the credit grantor and the credit user.

Most businesses apply finance charges to credit accounts to pay for the expenses of providing credit services for customers.

The expenses involved in providing customers with credit services include:

1. interest on borrowed capital needed to keep the business going while income from credit sales is outstanding.
2. costs of running a credit department such as extra employes, postage, facilities, supplies.
3. losses on unpaid or delinquent accounts.
4. cost of compliance with federal and state laws regulating credit granting practices.

When maximum finance charges permitted by law do not cover the costs of providing credit, businesses usually make up the difference by increasing prices of goods and services they sell.

To make sound decisions regarding the use of credit, the consumer needs to know the total amount of finance charges and the amount and number of monthly payments.

Other factors to consider when shopping for credit include the reputation and reliability of the creditor, convenience in obtaining the type and amount of credit desired, provisions for prepaying or refinancing the account, and the rights and responsibilities set forth in the contract.

Credit grantors are regulated by state and federal laws, particularly with respect to disclosure of terms and charges, use of information on credit applications and investigations, restrictions on rates for different types and amounts of credit, and remedies permitted to the creditor for the debtor's failure to live up to the credit agreement.

The Truth in Lending Act requires that creditors provide clear and meaningful disclosures of certain credit terms so that consumers can more effectively shop for credit and compare one creditor's rates with another.

The Fair Credit Reporting Act protects consumers by 1) prohibiting unauthorized release and circulation of credit reports, 2) setting up a procedure whereby the consumer may learn the name and address of any credit bureau involved in providing an adverse report that results in the denial of credit, insurance or employment, and 3) providing a mechanism for correcting and updating credit records.

The Fair Credit Billing Act protects consumers against inaccurate and unfair credit billing practices by procedures that enable consumers to have any billing errors corrected or explained to their satisfaction on a timely basis.

The Equal Credit Opportunity Act prohibits discrimination by creditors initially on the basis of sex or marital status and more recently also on the basis of race, color, religion, national origin, age and receipt of income from a public assistance program.

Credit users who keep receipts and sales slips in one place and regularly check them against their monthly statement understand billing statements more fully and are in a stronger position to identify and correct errors.

To make inquiries or correct errors on a billing statement, credit users should immediately contact the creditor and supply all data related to the matter in question as well as their account number, type of account and full address.

STUDENT ACTIVITIES

Assign several students to obtain credit contracts from general merchandise catalogs and several local retail stores. Ask them to study the agreements and circle any parts they do not understand for classroom discussion and clarification. As a class, discuss what promises consumers make when signing a credit contract. What penalties are they subject to when they do not live up to these promises?

Ask students to contact local retailers, small loan companies, as well as other nearby lending agencies and research the center pages of general merchandise catalogs for descriptive information and brochures about the different types of credit plans available to consumers. If possible, obtain a credit application form for each credit plan. Share collected materials with the class and analyze the different plans to determine how they are similar and how and why they are different. Compare the credit application forms for similarities and differences. Develop a chart showing the credit source and the information requested. Discuss why certain information about credit applicants may or may not be important to the credit grantor.

Develop skits and case studies and cite examples to show how each of the common forms of consumer retail credit might typically be used to meet different consumer needs.

Define and discuss the three C's of credit—character, capacity to pay and capital. How do credit application forms supply this type of information? Why would credit grantors consider it important?

After discussing the various forms of credit offered by catalog order houses and local retailers, ask students to locate items in catalogs that would be purchased most appropriately using a regular 30-day charge account, a revolving charge account, an installment credit account and home modernizing credit. Have them defend their choices. Would they be better off paying cash for some or all items? When and why or why not?

Obtain or reproduce enough credit application forms from one or more sources to supply an application form to each student in the class. Ask students to fill them out as though they were actually applying for credit. Discuss why creditors would want the information requested on the form. What type of information would students want before selling a car, stereo or other item of value on credit to a stranger?

Assuming that it costs $15 for each $100 worth of credit per year, discuss under what circumstances the students might use credit for a $100 coat, $200 worth of automobile tires, a $275 radial saw, $250 sewing machine, $150 racing bicycle, $300 engagement ring, or other major item of their choice.

Develop a definition of consumer credit from various references and experiences of students and their families. Discuss and list what credit means to individuals, families, businesses and the economy.

Ask for volunteers to interview two or more family members and/or friends about their use of and feelings about consumer credit. Report the findings to the class using taped interviews or written reports. Discuss both the positive and the negative experiences with credit. What conclusions can the class draw about the use of credit from the experiences of others?

Have students review catalogs, magazines and newsletters to locate and clip advertisements offering credit. Develop a class bulletin board display of the clippings. Discuss why credit is so readily available to consumers. Find out how credit advertising is regulated by law under the Truth in Lending Act.

Divide the class into small groups to research specific state and federal laws such as the Truth in Lending Act, etc., that affect consumers. Ask each group to develop case studies based on the provisions of the law that can be role played later to explain the law to their classmates. Discuss how knowledge of credit legislation can help consumers.

Arrange for a field trip to a credit bureau or other local consumer reporting agency or ask a representative of that organization to speak to the class. Find out what services the agency provides, what its purposes are and who belongs to it. How can credit users correct inaccurate information in their credit histories? How can students establish and maintain good credit ratings? How has the Fair Credit Reporting Act affected the operation of the agency?

Arrange for a field trip to the credit department of a large local retailer so students can see firsthand how accounts are opened, processed and maintained. Observe and discuss the costs of maintaining a credit operation and how these costs are passed on to credit users. If a field trip is not possible, arrange for the credit manager to visit the class or for selected students to visit the operation and tape an interview based on questions developed by the entire class.

Invite a representative from a financial counseling service or similar local agency to discuss the service with the class. Ahead of time, ask the person to describe financial situations that can be used for role playing and problem solving by students. Also ask the counselor to present material that will help students gain a better understanding of 1) the common reasons people get into credit difficulty, 2) danger signs that signal financial difficulty ahead, and 3) steps financially troubled consumers can take to solve money problems and avoid excessive debt in the future.

CONCEPT

WARDROBE PLANNING AND CLOTHING SELECTION

—the body of knowledge related to planning and coordinating the various items in a wardrobe and making clothing choices accordingly.

PERFORMANCE GOALS

The informed consumer...

knows the basic principles of wardrobe planning and clothing selection.

understands how a knowledge of fibers, finishes and construction techniques contributes to more satisfactory wardrobe planning and clothing selection decisions.

uses information in catalog descriptions and on permanent care labels and hangtags to determine fabric performance characteristics and care requirements.

takes a wardrobe inventory each new season to determine which garments to keep, remodel or discard, and to determine clothing needs.

plans new clothing purchases according to present and future needs, available resources, fashion trends and personal lifestyle.

compares various levels of quality and construction before making final purchasing decisions.

masters the arts of coordinating clothing, colors, fabrics and accessories for an attractive appearance and of dressing appropriately for different occasions.

WORDS AND PHRASES TO KNOW

apparel
basic
body build
classic
color
coordinate
comfort
comparison shopping
construction
consumer responsibility
design
fabric
fad
fashion
fiber
figure type
finish
function
garment
line
separates
style
taste
textile
trend
use and care instructions
weave

GENERALIZATIONS

Factors that influence clothing choices include an individual's resources, needs, wants, family composition, stage in the life cycle, climate, social environment, personal taste and fashion trends.

Clothing choices are influenced by a person's value system and the relative importance he or she assigns to clothing within that system.

Resources consumers use to meet clothing needs include cash and credit, time and energy, knowledge of fabrics and fashions, shopping skills and wardrobe planning.

Care labeling and other information supplied by retailers and manufacturers can help consumers predict the performance and know the care requirements for textiles and clothing.

The suitability of clothing for its intended use depends on the fabric, the design, and the construction of the garment.

Knowing the performance characteristics of fabrics can help consumers make appropriate clothing selections for specific uses.

Clothing choices reflect an individual's self-concept, values, socio-economic background, lifestyle and personality.

A knowledge of fabric facts and clothing construction is basic to clothing selection.

Catalog illustrations and descriptions contribute to successful wardrobe planning and clothing selection by presenting reliable information on fabric care and performance features, clothing design and construction details, sizes, colors and fashion trends.

Comparison shopping for different types of garments aids in getting the best values for clothing dollars.

Consumers can influence the production and distribution of textiles and clothing by communicating needs, wants, satisfactions or dissatisfactions to the seller and/or the manufacturer.

The cost, quality, design and availability of clothing are affected by many factors including fashion trends, consumer demand, raw materials, technology, production costs and techniques, international trade and overall economic conditions.

Studying fashion magazines, catalogs and clothing advertisements as well as observing the way people dress in different walks of life can aid in developing fashion awareness and the ability to put together outfits that are both attractive and appropriate for the individual and the occasion.

STUDENT ACTIVITIES

Ask students to look through general merchandise catalogs, advertisements and fashion magazines for specific examples to show how they would wear, use or combine clothing to express:

- individuality
- fashion sense
- creativity
- conformity
- imagination
- practicality
- sophistication
- confidence

Ask them also to show clothing they would wear if they wanted to look:

- intelligent
- fashionable
- younger
- older
- sophisticated
- businesslike
- romantic
- dramatic

Elect class representatives to conduct the following experiment and to report their experiences to the class. Representatives are to choose a store where they are not well known and a time when the store will not be crowded. They are to shop for the same item in the same department two times. Once they are to wear their most presentable street clothes, and the next time to dress in old, sloppy outfits. Finally, they are to compare and report on the two shopping trips concentrating on differences 1) in the way they felt, 2) in the way salespeople treated them, and 3) in the way other shoppers reacted to them.

Discuss or set up role playing situations to illustrate how the previous experiment might work for:

- a job interview
- a first date
- the first day in a new school
- the first day on a new job
- other social situations

Develop an inventory form for students to use in determining exactly what they have in their wardrobes. It may be desirable to take a separate inventory for different seasons and to divide the inventory into clothes for different occasions—sports, casual, dress, formal, etc.

After taking inventory, have students develop individual plans on paper for new clothing purchases to complete their wardrobes for each coming season. Using general merchandise catalogs, have each student plan additions that will:

1. go well with what they have.
2. fill gaps in their wardrobes.
3. express their personality and lifestyle.
4. flatter individual coloring, figure type or body build.
5. fit their clothing allowance.

Using catalogs, magazines and newspapers, have students collect pictures of clothing items they need and make up a purchase list of buying priorities with the estimated cost of each item. Include shoes, accessories and jewelry. Discuss the value of priority planning.

Ask students to decide on a major clothing purchase they might make, such as a suit, raincoat or winter jacket. Research that item in general merchandise catalogs at three quality/price levels—low, medium and high. Carefully read catalog descriptions at each level and make a list of key differences in fabric and trimmings, workmanship and construction, style and design, size and fit, fabric performance and care requirements. Discuss what conclusions can be drawn about each quality level and how quality relates to the way the garments will be worn.

Make a collection of clothing labels, tags, catalog descriptions and advertisements as well as books, periodicals and other printed materials for a permanent resource center on buying, planning and care information about clothing. Discuss various sources of information and how each contributes to making satisfactory buying decisions.

Conduct classroom experiments and studies on the characteristics and properties of different fibers, fabrics and finishes. Consider comfort, appearance, drapeability, body, care requirements, durability, flammability, etc. Relate the different characteristics to performance, care, cost, consumer preferences and choices.

As a class project, compare general merchandise and specialty catalogs for general and specific information on:

- fabric, fibers and finishes.
- measurements, sizes and fit.
- quality and price.
- warranties and customer satisfaction.

Ask students to list the performance and care features they believe are most important for a winter coat, a child's play clothing, a party dress, school clothes and sleepwear. Discuss how and why desirable features differ for each of these items.

CONCEPT

HOME FURNISHINGS AND EQUIPMENT

—the body of knowledge related to decorating and furnishing a home, selecting furniture and home furnishings, and choosing and using home appliances.

PERFORMANCE GOALS

The informed consumer...

knows that careful planning is necessary to select furnishings and equipment for the home to meet present and future needs and wants.

understands that many factors enter into buying decisions related to home furnishings and equipment, including needs, values, lifestyle and available resources.

collects information about new products and features and compares various styles and quality levels as a means of making satisfactory consumer choices.

distinguishes between different types of home furnishings and equipment according to their suitability for different purposes and decorating plans.

formulates a long range plan for furnishing and equipping a home to meet personal and/or family needs while staying within the limits of income.

GENERALIZATIONS

Consumers adapt housing structures to meet personal needs through their choice of home furnishings and equipment.

Family composition, values, goals, lifestyle and available resources influence the type and quantity of home furnishings and equipment people buy.

A person's needs, personal preferences and concept of design influence selection and arrangement of interior furnishings.

Tasks in the home are easier when equipment is appropriate for its purpose, meets the needs of the individual or family, and when it is properly installed and convenient to use and to store.

The performance of equipment is affected by its design, features, construction materials, installation, suitability for the job, quality of maintenance, and by the skill with which it is operated.

High quality home furnishings and equipment may be the best buy for items that will be used often or kept for many years, while lower quality may be suitable for products that will be used for a short time or infrequently.

When safety is emphasized in the selection, placement, installation and use of home furnishings and equipment, the possibility of physical injury and property damage is reduced.

Energy and water consumption and ecological considerations play an increasingly important role in determining the choices and use of home appliances and furnishings.

Catalog illustrations and descriptions of home furnishings, furniture, window treatments, floor coverings, accessories and equipment can assist consumers in planning and decorating a home.

WORDS AND PHRASES TO KNOW

- accessories
- arrangement
- art principles
- case goods
- construction
- decorating scheme
- dual purpose
- elements of design
- energy consumption
- floor coverings
- floor plan
- functional
- home furnishings
- lighting
- maintenance costs
- major home appliances
- model
- operating costs
- portable appliances
- room plan
- safety features
- style
- technology
- upholstered furniture
- wall coverings
- warranty
- water consumption
- window treatments

Catalog descriptions of equipment, furniture and home furnishings contribute to a broad knowledge of available merchandise and features that help consumers make more informed buying choices as they plan ahead and budget for expenditures.

An effective plan for furnishing a home calls for 1) identifying needs and establishing priorities among them, 2) determining what specific purchases will meet specific needs, and 3) setting up a time-table and budget for acquiring needed items.

It is helpful to decide in advance whether to use cash or credit to pay for specific home furnishings purchases.

Factors to consider in deciding whether to use cash or credit for home furnishings and equipment include:

1. amount of cash available at time of purchase.
2. price of item being purchased.
3. amount, type, cost and terms of credit available.
4. size of income and amount available to meet installments.
5. existing obligations and living costs.
6. whether the purchase is an immediate necessity or can be postponed.

STUDENT ACTIVITIES

Use a brainstorming technique to identify and list the home furnishings and appliances students think are necessary to set up housekeeping in a one room efficiency apartment. Include estimated selling prices for items listed. Check estimates against actual prices in general merchandise catalogs. Discuss the cost of establishing and furnishing a household.

Establish a realistic budget for furnishing a one room apartment based on prices in general merchandise catalogs. Using the budget as a starting point, divide the class into small groups, each to furnish the apartment on paper according to the needs, values, tastes, lifestyle and income of an imaginary newlywed couple. Ask each group to develop a notebook or large poster or bulletin board display to illustrate their choices using pictures from catalogs, magazines or newspaper advertisements. When completed, have each group present an illustrated purchase plan for their couple to the class. Discuss how and why the students' own values and tastes influenced their selections, how they compromised on final choices, and how such compromises might be necessary in real life situations.

Have students look in general merchandise catalogs for major home appliances with energy and water saving features. Discuss why these features may be important to consumers and how catalogs can be used to help consumers shop for them.

As a class, review general merchandise catalogs for consumer information on upholstered furniture, case goods, rugs and carpets, curtains and draperies, and selected major home appliances. Using information in the catalog descriptions and other sources, draw up a "Buyer's Checklist" for each category of merchandise.

Establish choice-making situations by asking individual students to list, then rank in order of preference, five or more items of furniture and/or accessories they would buy for their own rooms if they were given $200. Ask them to explain and defend their decisions, taking into account their needs, values and present or projected lifestyles.

Collect a variety of newspaper and magazine advertisements for major home appliances and have students analyze them to determine 1) information provided, 2) selling techniques, 3) emotional appeals, and 4) advertising claims. Compare the newspaper advertisements with catalog pages describing the same merchandise. Discuss how and why advertisements differ according to the media in which they appear.

Ask students to plan a discussion of common costly mistakes related to the management of home furnishings dollars such as failure to plan ahead, impulse buying and overextension. Use role playing to act out situations that might lead to these mistakes. Follow up with a list of pointers to avoid costly spending mistakes.

Divide students into groups according to their personal preferences for traditional, early American, contemporary or eclectic furnishings. Have them find illustrations for each category of furniture in general merchandise catalogs, magazines and newspaper ads. Use illustrations to develop room plans made up of the selected style of furniture. Use the same technique to illustrate color schemes, elements of design, or furnishings at different price levels.

Develop a classroom or school resource center of consumer information on home furnishings and equipment. Collect information and printed material from general merchandise catalogs, retailers, manufacturers, trade associations and government agencies (listed on pages 64 and 65), newspapers, as well as consumer magazines and books.

Investigate, discuss and debate pros and cons of the following existing and proposed legislation related to home furnishings and equipment:

1. mandatory flammability standards for mattresses and upholstered furniture.
2. labeling requirements for wood furniture and case goods, fabrics and upholstered furniture, carpets and appliances.
3. mandatory energy efficiency standards for major appliances.
4. energy cost labeling of major appliances.

For each piece of legislation try to find out:

1. administration and enforcement costs of government.
2. compliance costs of manufacturers and retailers.
3. benefits to consumers.
4. disadvantages for consumers.
5. impact on industry.
6. impact on design, cost, durability and availability of specific furniture and appliances covered by laws.

CONCEPT

INSURANCE

—a method of providing protection against certain types of financial losses through payment of premiums and sharing of risks.

PERFORMANCE GOALS

The informed consumer...

knows the basic forms of insurance protection and coverage.

estimates types and amounts of insurance needed to protect against financial risks in real-life situations.

relates personal needs for financial protection to the selection and purchase of insurance.

analyzes coverage offered by different types of insurance policies and companies to determine the best insurance policies, coverages and companies for meeting personal protection needs.

sets up a long range insurance program to take care of needs for protection in different areas of risk.

periodically compares insurance coverage with changing needs for protection and makes those changes when desirable to do so.

knows where to get and how to use reliable information to determine insurance needs, select coverage to meet needs, evaluate insurance policies and companies and maintain adequate insurance protection.

keeps up with laws and regulations governing the insurance industry and protecting the insurance-buying public.

WORDS AND PHRASES TO KNOW

agent
annuity
assigned
auto
beneficiary
benefits
broker
cash value
claim
co-insurance
coverage
deductible clause
disability
dividend
double indemnity
exclusions
endowment
grace period
group insurance
health insurance
homeowner's policy
liability
liability insurance
life insurance
lapse
medicaid
medicare
mutual
no fault insurance
ordinary life
perils
preferred risk
premium
policy limits
property damage
rate
risk
settlement
term insurance
tenants

GENERALIZATIONS

Sharing the risks is the basic principle behind all types of insurance.

Insurance offers a way for individuals, families and groups to protect themselves against the financial losses and hazards that can result from sickness, accident, death, property loss or damage and personal liability.

The cost of premiums for various types of insurance is based on the amount of coverage provided and the risks involved.

Various forms of insurance play a role in personal money management, in business and in the overall economy.

Different types of insurance protect against different types of risk.

Basic types of insurance protection for consumers include life, health, auto, homeowners or tenants, and liability.

Each basic type of insurance is available in a variety of forms and amounts that can be tailored to individual needs.

Managing one's personal insurance program involves reading policies, filing them in a safe place, knowing basically what coverage one carries, and periodically checking coverage against changing needs.

Keeping up with laws and regulations governing the insurance industry is one way consumers can protect their own interests in obtaining and maintaining adequate insurance protection.

The primary purpose of most types of insurance is to provide protection against losses that would impose serious hardships rather than to cover minor losses that insured persons could suffer without serious or lasting consequences.

All policyholders pay, in the form of higher premiums, for the insurance company's losses to the false and dishonest claims of a few policyholders.

The increasing cost of malpractice and product liability insurance coverages for physicians, hospitals, manufacturers and other businesses contributes significantly to rising health care costs and to higher prices in the marketplace.

STUDENT ACTIVITIES

As a class explore the concept of "sharing the risks." How did the insurance industry first employ this concept? Trace the history of insurance through the years to its present stage.

Ask students to list a number of hazards resulting from unexpected events and to categorize them as to which could be insured against and what type of insurance would provide coverage for each insurable risk.

Develop brief case studies of two individuals and at least three families, giving the financial circumstances and characteristics of each. Then draw up a reasonable insurance program for each including protection in the major areas of health, life, property (home and auto) and liability.

Check out the premiums for auto insurance in your area and discuss why rates for the same coverage vary so widely for different classes of drivers and different types of autos. Specifically, have each student find out how much family auto insurance premiums go up as each new teen driver is added to coverage.

Set up criteria for choosing an insurance agent, for evaluating an insurance company, and for buying different types of insurance. Criteria should indicate what is most important to look for in an insurance agent, an insurance company, and in different types of policies.

Obtain sample copies of each basic type of insurance policy for classroom analysis. Ask students to examine, study and explain the policies, to circle any terms and phrases they do not fully understand, and to underline in color the most important provisions and exclusions in each policy.

Discuss basic insurance needs and how they differ for different individuals and families and how the same person's or family's needs can change at different stages in the life cycle.

Divide the class into reporting teams each to investigate and report to the class on one of the following insurance related issues:

1. the increasing numbers of law suits for malpractice and product failures and their impact on availability and cost of malpractice and product liability insurance.
2. the rising rates for malpractice insurance and their impact on health care and hospital cost.
3. the increasing rates for product liability and their impact on product prices.
4. the pros and cons of no-fault insurance from the consumer, the government and the insurance industry point of view.

CONCEPT

CONSUMER RIGHTS AND RESPONSIBILITIES

—the privileges and duties that go with being a consumer in a free market economy.

PERFORMANCE GOALS

The informed consumer...

identifies basic consumer rights and their corresponding responsibilities.

explains how consumer rights and responsibilities relate to each other, to the business community, and to the economy.

demonstrates the ability to accept consumer responsibilities.

identifies infringements of consumer rights, the source of those infringements, and corresponding action consumers can take.

organizes personal consumer activities and behavior within the framework of well defined consumer rights and responsibilities.

evaluates pressing consumer issues and proposed legislation on the basis of interrelated rights and responsibilities of consumers, business and government.

GENERALIZATIONS

Individuals play three economic roles: 1) as workers receiving income, 2) as consumers using income, and 3) as citizens making collective economic decisions.

Consumers must exercise their right to make free choices intelligently and at the same time assume their share of the responsibility for making our market economy operate effectively.

Consumer rights generally carry corresponding responsibilities.

Consumer rights and responsibilities are related primarily to the individual's economic activities as worker, consumer, saver, investor and citizen.

An individual's consumer rights and responsibilities exist within the framework of family and community life, employment, and the marketplace for goods and services.

Basic consumer rights in our economic system include:

WORDS AND PHRASES TO KNOW

buyer
citizen
consumer
consumer agency
consumer education
consumer information
consumer interest
consumer issues
consumer movement
consumer protection
consumer responsibilities
consumer rights
consumerism
economic roles
legislation
market economy
marketplace
producer
redress
regulation
seller
safety standards
self-regulation
voter

safety—protection against the marketing of goods or services that are hazardous to life or health.

information and education—protection against fraudulent, deceitful or grossly misleading information, advertising, labeling or other practices, as well as access to the facts necessary to make informed consumer decisions.

free choice—access to a variety of products and services at competitive prices as well as assurance of quality and service at fair prices.

representation—assurance that consumer interests will receive full and sympathetic consideration in the formulation of both business decisions and government economic policies.

redress—a means of registering dissatisfactions with the assurance that they will be heard, weighed and acted upon in a manner fair to all.

The consumer right to safety involves the responsibility to:

- consider safety features when selecting products.
- review and follow safety practices in the use of products.
- keep products in safe, usable condition.
- use products only for the purpose for which they are designed.
- report safety hazards connected with products promptly to the retailer or manufacturer and/or appropriate government agencies.

The consumer right to information and education involves the responsibility to:

- seek and use consumer information in the selection of goods and services.
- follow use and care instructions that accompany products.
- request additional consumer information when the information available is inadequate for the purpose of making a rational buying choice or using products effectively.
- refrain from buying products or services when adequate information on selection, use and care is not provided.
- keep up with new products and technological advances that improve old products.

The consumer right to free choice involves the responsibility to:

- make rational and informed choices that meet personal and family needs within the limits of income.
- choose features and quality levels in different products according to the way they will be used.
- maintain reasonable expectations for product performance.
- deal only with reputable business organizations.
- consider the ecological and energy impact when making buying decisions.
- follow up purchases with recommended use and care procedures.

The consumer right to representation involves the responsibility to:

- know the appropriate procedures and channels to use when communicating with government agencies and elected officials.
- know which laws and government agencies are empowered to protect different consumer interests and rights.
- keep abreast of consumer issues and communicate personal views and suggestions to appropriate elected officials and government agencies.
- put proposed legislation and government action on behalf of consumers through a cost/benefit analysis to determine which bills and actions to support.

The consumer right to redress involves the responsibility to:

- communicate openly and effectively with various levels of business, from salespersons to top management as the occasion demands.
- know and follow appropriate and proper procedures when making complaints, inquiries, requests and suggestions related to products, services, policies and treatment.
- report unfair or dishonest practices to the appropriate authorities.
- review contractual agreements before signing them and be prepared to live up to the agreed-upon terms.

Consumers can help themselves and improve practices in the marketplace by reporting instances of misleading labeling, deceptive advertising, and other questionable business practices to appropriate agencies and to those in charge at the offending business.

Consumers who report unsatisfactory service and poor merchandise help themselves and assist businesses in identifying and correcting mistakes.

Consumer information and/or protection are provided by local, state and federal government agencies as well as private organizations supported by responsible businesses.

STUDENT ACTIVITIES

Draw up a chart to show rights and corresponding responsibilities in the family, the school, the community, on a job and in the marketplace. Analyze the list to see which rights and responsibilities relate to economic issues and consumer interests.

Divide the class into five groups and ask each to outline consumer rights and responsibilities for one of the following: safety, information and education, free choice, representation and redress. Discuss how these rights and responsibilities might differ in another type of economy.

Select two or three major consumer rights and corresponding responsibilities and consider the consequences of 1) depriving people of these rights, and 2) failure of consumers to accept the responsibilities connected with each right.

Make up a consumer directory telling where to call locally for different types of consumer information and assistance. Include the private organizations and government agencies that aid consumers in protecting their rights and defining their responsibilities.

Draw up a chart of laws that protect consumers. Include:

1. name of law.
2. major provisions.
3. date of passage.
4. government agency enforcing it.

Ask volunteers to carry out the necessary research to present an oral or written report on the overall state of government regulation for the benefit of consumers, specifically with respect to:

1. coordination among government regulatory agencies.
2. cost/benefit analysis of specific regulations.
3. overall cost of regulation in terms of government administration and business compliance.
4. accountability of regulatory agencies.
5. pros and cons of various proposals for deregulation.
6. analysis and comment on proposed regulatory bills.

Draw up a chart to show what contribution each of the following could make to preserve and protect consumer rights: business, government agencies, private organizations, consumer groups, education, individual consumers. Give specific examples of ways each already contributes to the consumer's welfare.

Study and report on specific ways the following agencies protect consumer rights:

1. Federal Trade Commission (FTC)
2. Food and Drug Administration (FDA)
3. Consumer Product Safety Commission (CPSC)
4. Securities and Exchange Commission (SEC)
5. Environmental Protection Agency (EPA)

Outline the consumer's rights and corresponding responsibilities in the following situations:

1. local election of candidates for city council and school board.
2. congressional elections.
3. public hearing on county hospital expansion.
4. public hearing on standards for environmental protection and energy conservation.
5. public debate on pending legislation that would limit property tax increases to 50 percent annually.

Divide the class into small groups, each to research one of the following economic issues and to present a report defining the consumer's interest in the issue along with the consumer rights and responsibilities involved:

- product safety
- unemployment
- inflation
- tax reform
- overregulation
- escalating health care costs, escalating education costs and other prominent issues of the group's choosing.

Follow up with class discussion, debate and resolutions on each issue.

USING CATALOG PAGES IN THE CLASSROOM

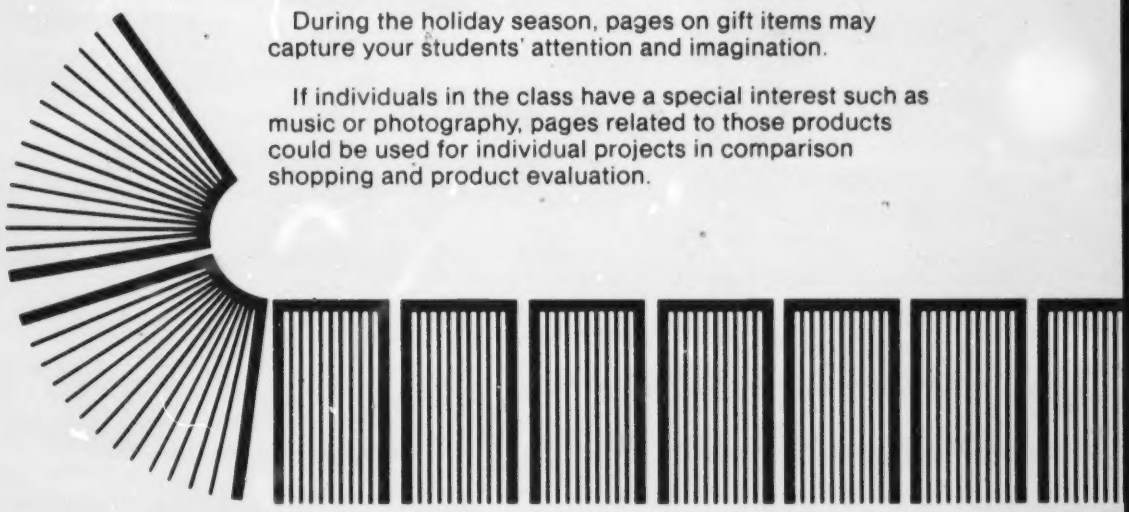
General merchandise catalogs have long proven themselves to be one of the most effective tools for teaching basic concepts in consumer education. Yet it is not always easy to instantly transform a catalog page into an educational vehicle. For this reason, the following outline and suggestions may be adapted for use with a variety of merchandise items found in catalog pages.

Boys' and girls' clothing, grooming aids and audio equipment have been selected as examples since studies show that these are the types of products young people frequently choose themselves and buy with their own money.

Depending on your group, you may wish to use other products in recent catalogs and adapt them in a similar manner, using the following suggestions as a guideline. For instance, in senior high classes, many students may soon marry, begin families, or furnish their own first apartments. Projects based on catalog pages featuring home furnishings, appliances and other major purchases may be appropriate for this group.

During the holiday season, pages on gift items may capture your students' attention and imagination.

If individuals in the class have a special interest such as music or photography, pages related to those products could be used for individual projects in comparison shopping and product evaluation.



Knit Sport Shirts and Tops

Knit sport shirts and tops are an important part of almost every young person's wardrobe. These items also lend themselves to comparison shopping because they are available in such a wide variety of types, styles, fabrics and colors. To develop the unit, assign pages featuring knit shirts and tops from general merchandise and specialty catalogs and refer to the following three-step plan to make merchandise comparisons.

1. Analyze product information accompanying each shirt or top for the following:
   - care instructions
   - fabric content
   - workmanship and construction
   - sizes
   - style differences
   - prices
   - warranties
   - colors and patterns
   - features common to all the shirts offered
   - special features for different styles
2. Compare the knit shirts and tops described on different pages and in different catalogs, considering the merits, advantages and disadvantages of each.
3. Set up guidelines for a buying decision based on:
   - product information provided with each garment.
   - personal preference.
   - the way the garment will be worn.

Jeans

Few young people today are without at least one pair of denim jeans. Although the styles may be classic, the choice is by no means limited. Jeans come in a variety of colors, styles and fabrics, in different price ranges, and with different features and wearing qualities. Selecting jeans, which are almost a uniform with some teens, can be a confusing project.

Catalog pages show many of the types of jeans available. To help students improve their choice-making abilities, you can use these pages as a tool for comparison shopping, textile information and product evaluation.

1. Analyze the product information on jeans, including:
   - care requirements
   - fabric content
   - fabric texture
   - color
   - sizes
   - styling details
   - prices
   - warranties
   - performance features such as durability, washability, stretch, permanent press, fit, etc.
2. Compare the jeans described on different pages and from different catalogs, considering the merits, advantages and disadvantages of each.
3. Set up guidelines for a buying decision based on:
   - product information provided with each garment.
   - personal preference.
   - intended use or the way the garment will be worn.

Tape Recorders

Young people are buying tape recorders and audio equipment not only for listening and recording pleasure, but also to help with school work and projects. Many schools make extensive use of the tape recorder as a classroom teaching aid.

If your students are interested in this versatile product or if you use it in class, you can utilize catalog pages to advantage in showing students how to shop for this and similar items they may buy, such as radios or record players.

Ask students to analyze catalog information on tape recorders and answer the following questions:

- What will each recorder do?
- What features are available on different recorders?
- What accessories are available, required or desirable on different recorders?
- What costs are involved in owning and using tape recorders?

- Which machines would be best suited for:
  1) serious listening and recording?
  2) occasional listening and recording for fun?
  3) carry-around player recorder for fun only?
  4) player recorder for work or professional purposes?
- What are the warranty provisions on different recorders and how do they compare?
- How do different machines compare for durability, size, design, ease of operation, volume, ease of switching from "play" to "record," and price?

Assuming each student would be interested in buying a tape recorder, ask individuals to select the one he or she wants to buy from catalogs and to give reasons for the choice.

Grooming Aids

A sizeable portion of the money spent by young people goes for grooming aids. Most of the girls and many of the boys in your classes will buy one or more personal care appliances if they do not already own them. To help students make sound choices, use the catalog descriptions as an introduction to product information and comparison shopping.

1. Analyze the product information provided in catalogs.
   - What does each appliance do?
   - How does each operate?
   - What are the important design and safety features?
   - What are the advantages of one model over another?
   - What are the warranty provisions?
2. Compare different models of the same appliance in different catalogs for the following:
   - features
   - promised performance
   - convenience in use
   - price
   - warranty information
3. Draw up guidelines for selecting specific appliances based on product information in catalogs and from other sources.

Using Catalog "Yellow Pages"

Most general merchandise catalogs contain page after page of information that is not related to specific product descriptions. These catalog pages provide bonuses that can be used effectively in your classes. They include:

- Credit application forms.
- Credit agreements with terms clearly stated.
- Information and explanations of warranty policies and warranty provisions for specific products.
- Instructions for making returns, inquiries, exchanges, and for obtaining adjustments.
- Instructions for measuring for clothing sizes as well as home furnishings products such as windows for curtains, area for carpets, etc.
- Detailed directions for placing orders and sending money.
- Fabric information.
- Shipping information.
- Explanations of installation services, servicing and maintenance agreements.
- Seller's policies on customer satisfaction, returns and exchanges, servicing and repairs, prices, etc.

Review and compare several general merchandise catalogs to determine what types of information and bonus pages are available, as well as their potential for classroom use. Many of these pages can be reproduced and used in a variety of ways. One of the greatest advantages is the "real life from the marketplace" quality of these pages as opposed to simulated text materials. Try using these catalog pages as they apply to:

- Vocabulary development.
- Experience in filling out credit applications and order forms.
- Explanations of credit terms and agreements.
- Learning to take accurate measurements and determining correct size.
- Interpreting warranty provisions.
- Understanding fabric characteristics and care requirements.
- Developing the ability to do basic consumer math.

OTHER TEACHING TECHNIQUES

Based on the Use of Catalogs and Community Resources

Depending on the ability level of your students, you may find some or all of the following ideas helpful in making consumer education a lively, meaningful experience for your students.

DISCUSSION QUESTIONS

The right questions offer an excellent way to introduce subject matter and to develop this material in depth. Questions can be used in a number of ways—for discussion, with buzz groups, for a panel presentation, for brainstorming or debate. Try the following and/or let students make up their own questions.

1. What are some advantages and disadvantages of buying goods and services from a catalog?
2. What types of product information and services should catalog order houses and retailers provide for consumers?
3. What do retailers have a right to expect from customers and what do customers have a right to expect from retailers? Give examples.
4. What are at least five ways you can tell reputable stores and sellers from unfair and/or dishonest sellers?
5. How does advertising serve the consumer?
6. What can customers expect after the sales transaction is completed?
7. Why do prices on identical items occasionally vary from seller to seller?
8. What are at least five things consumers can do when products fail or services are poor?
9. What can consumers do when warranties are not honored by sellers or manufacturers?
10. How can customers let businesses and management know their needs and problems?
11. How does responsibility for product performance divide among manufacturer, seller and consumer? How is each responsible for the performance of the product?
12. How can catalogs aid consumers in comparison shopping?
13. What are at least five ways consumers can protect their best interests in the marketplace?
14. What are four current economic issues that affect consumer rights and responsibilities? Explain and discuss.
15. What are at least six mistakes consumers often make in looking out for themselves in the marketplace?

OPINIONNAIRES

Everyone has opinions and giving students an opportunity to express and discuss them helps them become both motivated and involved in the unit. Ask for an **agree, disagree,** *or* **undecided** *answer to the following or similar statements. Use the results as a basis for discussion, debate and research.*

	agree	disagree	undecided
1. High price means top quality.			
2. Impulse buying is the best way to get the things you really want.			
3. Buying on credit is usually a mistake.			
4. Using credit is the only way people can get what they need in some cases.			
5. Teenagers should have their own charge accounts.			
6. Budgets take the fun out of spending.			
7. Dates should be "Dutch treat."			
8. Teenagers should be able to spend their own money as they please without accounting to anyone.			
9. People with lots of money do not need to budget.			
10. Parents should have the final say in the way their children spend money.			
11. Having money makes it easier to be happy.			
12. Most advertising is misleading and deceptive.			
13. There is nothing consumers can do to change the marketplace.			
14. If people were willing to pay more taxes we could solve most of the nation's problems.			
15. Consumers are adequately protected by existing laws and government agencies.			
16. Consumers are basically honest.			
17. Businesses are basically fair.			
18. Products aren't as well made as they used to be.			
19. Business is only interested in profits.			
20. Consumers are always trying to get something for nothing.			

WORD ASSOCIATION

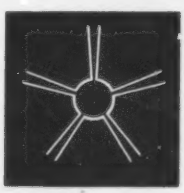
Words related to consumer education offer a way to explore student attitudes and to develop vocabulary. Begin by asking students to write down the first word they think of as you say the following words or those selected from the listings under individual concepts. You might follow up with a discussion of different feelings students attach to the words and proceed to a study of actual definitions of the different terms.

needs	sales	contract
wants	warranty	profit
advertisement	thrift	price
budget	cheap	business
consumer	quality	salesperson
retailer	credit	catalog
guarantee	economy	inflation
services	bargain	rip-off

COMPLETION

By completing statements, students have an opportunity to get in touch with the way they feel, and express what they know about consumer-related matters. Ask students to complete selected sentences in 25 words or less from the following listing. Use the results for discussion, debate, role playing or further study.

1. My idea of a smart consumer is one who...
2. I feel ripped off when...
3. I think the most important thing consumers can do to look out for themselves is...
4. What I like most about shopping from catalogs is...
5. My biggest problem as a consumer is...
6. My idea of the perfect consumer/business relationship is...
7. I think people should use credit when...
8. I think people should not use credit when...
9. The worst thing about inflation is...
10. What I dislike most about shopping from catalogs is...
11. The three biggest mistakes consumers can make are...
12. The thing that makes me angry about salespeople is...
13. The thing that makes me angry about other consumers is...
14. My idea of a perfect salesperson is...
15. I think a warranty should cover...
16. If I had $500 to spend any way that pleased me, I would...
17. If a store sold me a television set that didn't work and then refused to do anything about it, I would...
18. If I charged and wore a sweater and it never appeared on my bill, I would...
19. If I were billed for a sweater I didn't buy or receive, I would...
20. My most satisfying consumer purchase has been _____ because...



VIP PROFILES

Some information about the important people in a certain field of knowledge is basic to every area of study. By knowing who the people in consumer affairs are and what their contributions to or roles in the field are, students can increase their awareness and understanding of consumer problems and issues. It also can give students helpful guidelines for expressing their opinions to those most interested and active on behalf of consumers. Consumer VIPs can be introduced in a variety of ways including use of the following chart. Ask students to find the name that fits each description, since the names will vary with each locale and from year to year.

1. _____ Attorney General in your state.
2. _____ President's Special Assistant on Consumer Affairs.
3. _____
4. _____ U. S. Senators from your state.
5. _____ Congressman from your district.
6. _____ state or local consumer advocate.
7. _____ nationally known consumer advocate.
8. _____ Chairman of the Federal Trade Commission.
9. _____ author of a consumer education text used in your school.
10. _____ well-known columnist and/or writer on personal finance and/or consumer affairs.

After completing the exercise, ask students to do a VIP Profile on a personality of their choice from the listing, or on other persons who are prominent on the local, state or national consumer scene. Profiles can include:

1. photographs taken from newspapers and magazines.
2. personal data such as age, affiliations, present position, background, education and qualifications.
3. a listing of major contributions or activities on behalf of consumers.
4. other relevant information.

QUESTIONNAIRES

A self-quiz can help students evaluate their own spending habits, shopping ability, and general consumer knowledge. Ask for a **yes, no,** *or* **sometimes** *answer to each of the following questions. Follow up with discussion.*

	yes	no	sometimes
1. Do you follow some sort of spending plan?			
2. Do you compare merchandise and services at different stores before you buy?			
3. Do you know how materials, design and workmanship are related to the quality of products? To the cost of products?			
4. Do you get information on products before buying, particularly for expensive items?			
5. Do you know how your spending choices affect business and the overall economy?			
6. Do you read and keep labels, tags, instruction booklets and other information that comes with the products you buy?			
7. Do you decide approximately what you can afford to spend on different items before you go shopping?			
8. Do you avoid making unnecessary returns and exchanges?			
9. Do you know three types of credit that are available to you and how each works?			
10. Do you know four or five ways to make advertisements work for you?			

	yes	no	sometimes
11. Do you know at least six laws that protect consumers?			
12. Can you name at least five government agencies that serve and protect consumers?			
13. Can you list at least five things a consumer should know before buying expensive equipment or appliances?			
14. Can you outline the steps a consumer should follow to correct an error on a credit statement?			
15. Do you plan ahead and shop carefully for major purchases?			
16. Can you name five or six sources of reliable consumer information?			
17. Do you know when a "bargain" is right for you?			
18. Do you ever write down your goals for spending?			
19. Do you know how tax dollars are spent locally, by the state, and by the federal government?			
20. Do you keep your possessions in good condition?			

INDIVIDUAL AND GROUP PROJECTS

Assignments that can be done by individuals or small groups give students an opportunity to pursue their own interests and to learn from each other. Offer a choice of projects, such as the following, that are suited to individual abilities and to the class as a whole.

Assign a committee to set up standards for advertisements and determine what should and should not be in an ad. Then ask the class to bring in examples and make a bulletin board display of magazine and newspaper ads that do and do not meet those standards.

Ask students to set up a plan for furnishing a three room apartment on a low, medium and high budget. Use the catalog for prices and illustrations of furniture.

Set up clothing requirements for the following: 1) a young woman working in an office, 2) a young man working as a salesperson in a department store, 3) a homemaker, and 4) a new baby. List only the necessities and estimate costs for each item. Suggest ways to save money on clothing purchases.

Shop in at least five places for any one of the following items: hair dryer, guitar, television set, record player, typewriter. Report back to the class on prices, features, warranties, services, and treatment received in the different stores.

Set up a list of things you think would be important to consider when buying clothing, cosmetics, jewelry, home appliances, rugs and carpets.

Find out what careers are available in retailing for high school and college graduates. Describe the qualifications for different jobs, the working conditions, salary and opportunities for advancement.

Compile a listing of government agencies and private organizations that serve consumers in different capacities and develop a brief description of each for distribution in a school handbook.

Conduct a survey of local stores, catalog order houses and manufacturers to find out how various types of consumer problems and complaints are handled.

Conduct a study of consumer legislation, either pending or recently passed by federal or state legislators, and discuss the pros and cons of each bill.

Study and outline the consequences of consumer errors, irresponsible behavior and dishonesty—such as making unnecessary returns, damaging merchandise in stores, or shoplifting.

Assign students to write letters to company executives on each of the following issues: 1) a suggestion for improving products or services, 2) a compliment on an exceptional product, service or employe, and 3) a complaint concerning a product, service or employe. Ask that letters apply to real experiences and be addressed to real executives whenever possible. If appropriate, mail the letters and share the responses with the class.

Divide the class into teams, each to defend or oppose one of the following positions:

- The Customer is Always Right
- Caveat Emptor (Let the Buyer Beware)
- Caveat Venditor

Pose typical consumer problems and inquiries and have students find out the people and agencies to call for aid and information on each problem. Then make up a "Where-to-Call Guide" for your community. Include instructions on where and how to inquire and complain.

Ask a group of student volunteers to operate a consumer consulting service or newsletter or column in the school paper or a hot line for the purpose of advising other students on consumer problems and financial difficulties. Arrange for students to call in problems and questions or submit them in writing. Set up guidelines for types of problems and questions to submit and information to include so that the advisors will understand the problem and be able to investigate as necessary. Volunteers can run this service like an "action line" in a newspaper or on the radio.

Assign groups or teams of students to watch for current events affecting consumers and to bring newspaper and magazine articles covering these events to class. Follow up with discussion, debate and further investigation as warranted. When appropriate, use materials brought to class for bulletin board displays and as reference material.

As a class project, collect and start a file of cartoons related to consumer interests and issues. Once you and your students laugh together, you often have opened the door to serious discussion, learning and communication. Cartoons can help achieve this goal. Use them to introduce new units, to stimulate discussion, to make important points, and to have fun.

Select a specific product, preferably one students would buy, and trace it from the first stages of production until it is sold to the consumer. List and discuss the various processes it goes through and the services involved in getting the product to the consumer. Where possible, estimate the costs involved each step of the way.

Ask each student to select the consumer issue of *greatest* interest to him or her, and 1) thoroughly research and study that issue, and 2) present a written or oral report covering all important aspects of the issue. Offer the following questions as a guide to investigating and preparing the report:

1. What is the issue?
2. When and why did it become an issue?
3. What individuals and groups are most seriously affected by this issue?
4. What are some of the conflicting views on the issue?
5. What do authorities and experts say?
6. How do you feel about it?

LEGISLATIVE ANALYSIS

Consumers not only need to know the laws that protect them, but they also need to know how the legislative system operates at different levels of government. To be effective, consumers need to learn how laws are written and enforced; what impact consumer legislation makes on the overall economy; what bills are currently before state and federal legislatures; and how individual consumers can take an active part in promoting fair and adequate consumer protection. The following suggestions may help you promote a lively interest among your students in consumer protection by legislation.

Assume there are no consumer protection laws. As a class, establish the broad areas in which consumers would need protection by law in our current economic system. Write these areas on the chalkboard and discuss them along with the types of protection needed.

Having established areas where protection is needed, find out what laws currently exist in each area. Write or interview local, state and federal legislators and representatives of regulatory agencies to find out how laws protect consumers at different levels of government. Invite lawyers to explain common law and the Uniform Commercial Code that covers business practices in the United States.

Analyze specific consumer protection laws in terms of:

1. effectiveness in protecting consumers.
2. ease and cost of administering and enforcing the law.
3. ease and cost of complying with the law.
4. fairness in regulating business as well as protecting consumers.

Investigate proposals for additional consumer legislation. Write for copies of bills before state legislatures and Congress. Analyze these legislative proposals in terms of:

1. protection currently provided and possible duplication of it.
2. practicality of enforcing and conforming to the proposals.
3. cost of enforcing and conforming to the proposed laws.
4. advantages and disadvantages for consumers.
5. fairness to the regulated businesses and industries.

Ask students to take sides, both pro and con, for each piece of legislation being discussed and to present all points in favor of and all points against each new bill.

As a class, research, discuss and debate the pros, cons and possibilities of deregulation in different areas of government control.

QUOTATIONS FOR DISCUSSION

Quotations related to money management and consumer education can frequently open the door to lively discussion and learning opportunities. Ask students to explain, interpret or debate any of the following. Ask them to also find quotations of their own for discussion. It also may be informative to discuss the quotations from the point of view of the author, the context and period in history from which they came, and their current application.

"Getting money is like digging with a needle,
spending it is like water soaking into sand."
Japanese Proverb

"Money is like a sixth sense without which
you cannot make use of the other five."
Somerset Maugham

"He who buys what he does not want will
soon want that which he cannot buy."
Anonymous

"No one was ever meant to remember or
invent what he did with every cent."
Robert Frost

"The art of acquiring money is
subordinate to the art of using it."
Thomas Aquinas

"The use of money is all the advantage
there is in having it."
Benjamin Franklin

"He who hesitates is sometimes saved."
James Thurber

"Price, for all its importance,
is only one of the terms of the bargain."
Walton Hamilton

"Economy is too late at the bottom of the purse."
Seneca

"There are two fools in every market:
one asks too little, one asks too much."
Russian Proverb

SHOPPING SLOGANS

Developing shopping slogans in class can be an effective way to help students remember important buying principles. Ask students individually or as a group to work up short, catchy phrases related to different aspects of consumer education. You might offer the following examples to help them get started.

Investigate Before You Invest

Shop Before You Buy

Read Before You Sign

Plan Before You Shop

Consider Cost or Your Budget is Lost

Ask Questions When You Don't Have Answers

Buy From Reputable Merchants to Insure Fair Treatment

Satisfaction Guaranteed or Your Money Back

OPEN END SITUATIONS

Presenting circumstances for students to bring to a conclusion is an excellent way to involve them in the learning process. Ask students to describe how they would handle the following situations or choose partners and act out each one as a "minute drama."

Decisions, Decisions

Mary Buxton is a senior. She is shopping for a dress to wear for graduation and later for job interviews. Mary can spend $70 for the dress and another $40 for a bag and shoes to go with it.

Miss Sadler sells dresses in the fashion department. She gets a 4 percent commission on her sales.

Mary has tried on five dresses. Miss Sadler has been helping her for about half an hour. Mary is beginning to feel guilty for taking so much time. Miss Sadler is becoming impatient and wants to sell a dress—any dress. She tells Mary the dress she has on is "made for her." The dress costs $90. It is purple with sequins at the neck. Mary looks sick in purple and the sequins make the dress unsuitable for many of the places she wants to wear it.

At this point, Mary can buy the dress to make Miss Sadler happy and then return it later... ask to see more dresses... sneak out when Miss Sadler isn't looking... tell Miss Sadler she wants to think about it and may be back later. What else can Mary do? What would you do?

At this point Miss Sadler can leave Mary and wait on someone else... bring more dresses for Mary... suggest that Mary think it over and come back another day... tell Mary to stop wasting her time. What else can she do? What would you do?

Telephone Tally

Elaine Brown is ordering merchandise from a general merchandise catalog by telephone. She wants boy's pants, tennis shoes, bed sheets, a basketball and a boy's bicycle.

Jean Katz is the operator who takes telephone orders. How would you order if you were Mrs. Brown? Use the catalog and order forms to get information needed to order the items mentioned.

If you were Jean Katz, how would you accept the order from Mrs. Brown? Check the catalog to find out all the facts that are necessary. Be ready to ask for any information not given by Mrs. Brown.

Enlightened Exchange

Jim Gruzinsky is exchanging a shirt and slacks his mother bought for him because they don't fit. Jim hates to return things but is doing it himself to be sure of a good fit in the exchange.

Mr. Thomas is the salesperson who waits on Jim.

How would you go about returning or exchanging the merchandise if you were Jim? How would you handle the situation if you were Mr. Thomas? Can you think of ways to make it easy and simple. What can make returns and exchanges a problem?

Sensible Season

Mrs. Kelley received a knit suit as a Christmas present for her one-year-old son. Two months later she started to put it on him for the first time and noticed that the suit could only be dry cleaned and not washed. Mrs. Kelley prefers washable clothing for the baby so she took the suit back to the store where it was originally purchased to obtain a refund or exchange.

Mrs. Rozen works in the infants' department and waited on Mrs. Kelley when she brought the suit back. A month earlier these same suits had been marked half price for clearance and all were sold. Mrs. Rozen is responsible for clearing out old merchandise and the store is already selling spring clothes.

Because Mrs. Rozen didn't want a winter suit in stock, she refused to take back the suit. What would you do if you were Mrs. Kelley? If you were Mrs. Rozen? How might the problem have been avoided? What would be the best solution now?

Credit Caper

Roy Cowles is applying for credit to buy a color television set. It will cost $450 and Roy wants to discuss the contract and make arrangements for payments.

Anita Schwarz is credit manager for the store. It is her job to check and approve credit applications.

If you were Roy Cowles how would you go about applying for credit? What questions would you ask about the contract? How would you convince Ms. Schwarz that you are a good credit risk? How would you react if you were refused credit?

If you were Anita Schwarz what would you want to find out about Roy Cowles before approving his credit application? How would you get the information you want? How would you handle it if you had to turn down the application? What credit legislation applies to this situation?

Plastic Money

Donna Gianni lost her bank credit card early in December. She was in a rush when she first missed the card and later forgot all about it. In January, Donna received a bank card statement with a record of transactions totaling over $700. Horrified, she immediately called the credit department to explain that she had not made any of the charges on the statement and that obviously someone else was using her card.

Larry Booth took Donna's call. It is his job to answer inquiries and handle credit problems and misunderstandings with customers. The bank has a speedy system for stopping unauthorized use of a credit card, almost the moment that notice of a missing or stolen card is received.

Larry helped develop the system and he is always annoyed with people like Donna who fail to notify the bank promptly when a card is missing.

How would you present your case if you were Donna? How would you respond if you were Larry? How much is Donna legally liable to pay? Would her liability change if she had notified the bank immediately? Who is out the $700? How might this problem have been avoided?

Warranty Walk

Laura Chen just purchased a $21 hair styler. She accidentally dropped it into a full tub of water and it no longer works. It was only two weeks old and still under warranty, but the directions specifically caution against getting the heating unit wet. Laura hopes to get the styler repaired or replaced free of charge anyway.

Stella Sanchez works in the customer service department of the store where Laura bought the hair styler. It is her responsibility to authorize warranty servicing or replacements.

How would you go about asking for warranty repairs or a replacement if you were Laura? What receipts and documents would you bring to the store? How would you explain the product failure? Do you think it is fair to expect a replacement?

How would you respond for Stella if:

1. you could tell the styler had been misused and Laura admitted it?
2. you could tell the product had been misused, but the customer denied it?
3. you were sure of product misuse, but Laura is your best friend?
4. you are not sure of misuse and your company policy on replacing grooming products is very liberal?
5. you know the product was dropped into water, but you think it should be waterproof?

How does this situation compare with returning a jar of peanut butter you drop while unloading your groceries when you get them home? How does it compare with requesting free warranty service on a portable television set that accidentally falls off a shelf?

Prom Problems

Bill Ware runs with several fellows who are planning to take their dates to a fancy restaurant for dinner and dancing on New Year's Eve. Bill wants to go but hasn't a suit to wear for that kind of a big evening. It isn't the sort of thing Bill does often so he doesn't really want to buy a suit for the occasion. Besides, if he pays for his share of the evening out, he can't afford to buy the suit anyway.

All the same, Bill went to a clothing store and looked at suits. He found one he liked and charged it. He wore the new suit for the big evening, taking great care not to let anything happen to it. The following week he returned the suit for credit.

Cindy is Bill's date, and George is his best friend. Bill tells them both what he is doing. Mr. Simpson is the salesperson who sold Bill the suit. He suspects what has happened and checks the suit over carefully when it is returned.

How would you respond if you were Cindy? What would you think? What would you say? What would you do? How would you respond if you were George? What would you think? Say? Do? What are some other ways Bill might have handled this situation?

How would you respond as Mr. Simpson if:

1. you found a spot on the suit that confirms your suspicion that it had been worn?
2. you could find no proof but feel certain that it has been worn?
3. you are sure and can prove that Bill wore the suit but Bill's father is your best friend?

Sleepy Saga

Tom Bartz ordered a sleeping bag from a general merchandise catalog. When it arrived the sleeping bag was not the color he expected, nor was it as heavy as he expected. However, when Tom compared what he received with the description in the catalog, he found it was exactly as described. Even so, Tom is not satisfied and wants to return the merchandise.

The policy of the catalog order house permits returns, exchanges and refunds on all merchandise up to 30 days after delivery. If you were Tom, how would you go about returning the sleeping bag? Do you think he is justified in returning the purchase? How might this return have been avoided? Who pays for careless returns in the long run?

Lunch Hour Dilemma

Martha Miller wants to buy a pair of $70 fashion boots. She is on her lunch hour and in a hurry and the store is crowded. At least three customers are ahead of Martha, but she is the only one who knows exactly what she wants. All she really needs is a salesperson to take her money and write up the order.

Mrs. Becher is in the same store as Martha, waiting to buy shoes for her two children, ages three and six. They need to be measured for size and will have to try on several styles. Mrs. Becher is first in line, but is shy and very easy going.

Bob McCoy also waits for help in the shoe department. He wants to exchange a pair of shoes that do not fit. He does not like making exchanges and just wants to be done with it.

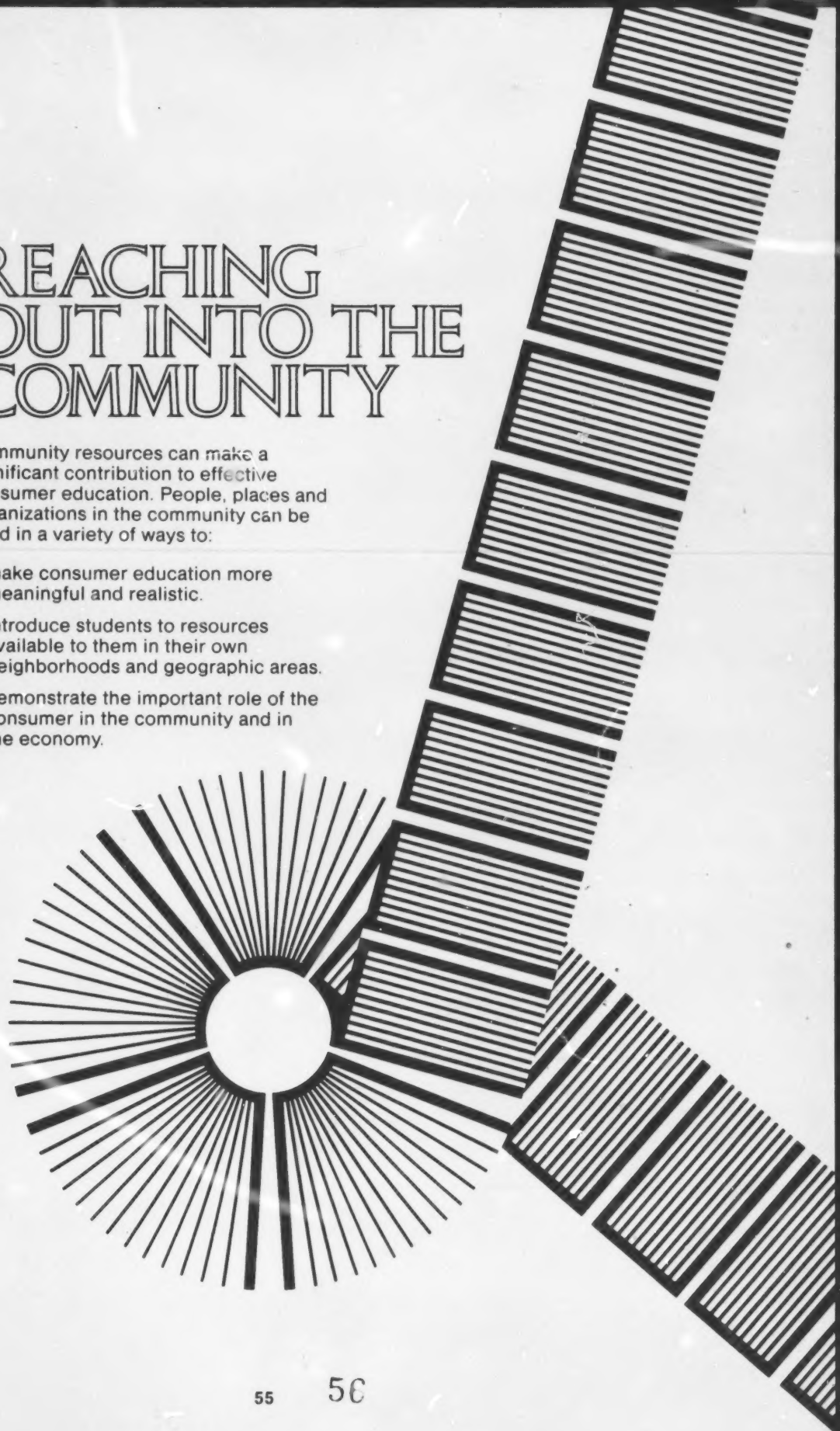
Jim Rose is the only salesperson in the shoe department. He works on commission, knows and likes Martha Miller, does not like fitting small children's shoes. He would prefer not to wait on customers who come in with exchanges and returns, particularly when customers who want to buy shoes are waiting.

How would you react as each person? What are the pros and cons of the various ways each person might act? Ask several groups to role play this situation for the class to observe the different results that come about with different interpretations of the same situation.

REACHING OUT INTO THE COMMUNITY

Community resources can make a significant contribution to effective consumer education. People, places and organizations in the community can be used in a variety of ways to:

- make consumer education more meaningful and realistic.
- introduce students to resources available to them in their own neighborhoods and geographic areas.
- demonstrate the important role of the consumer in the community and in the economy.



COMMUNITY RESOURCES

The following chart lists a few of the resources available in most communities. It is followed with suggestions for making the most of these resources in consumer education classes.

PEOPLE

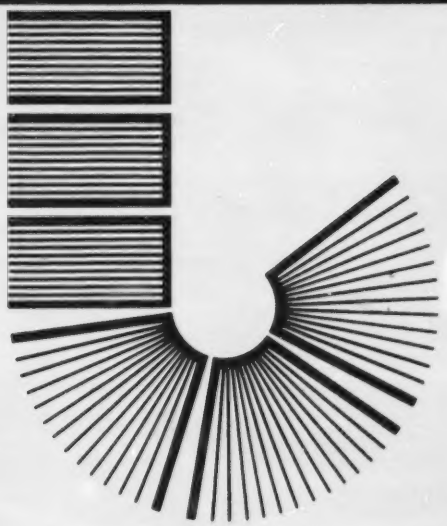
- Bankers
- Businessmen
- Business Women
- Catalog Sales Office Managers
- Car Dealers
- Credit Managers
- Customer Service Managers
- Department Store Buyers
- Department Store Managers
- Financial Advisors
- Government Officials and Representatives
- Insurance Agents
- Lawyers
- Newspaper Writers and Columnists
- Real Estate Brokers
- Stock Brokers
- Teachers

PLACES

- Banks
- Brokerage Houses
- Broadcasting Stations
- Catalog Sales Offices
- Colleges and Universities
- Consumer Service or Education Departments of Companies
- Court Houses
- Credit Departments
- Department Stores
- Government Offices
- Insurance Companies
- Libraries
- Loan Companies
- Main Offices of Major Corporations
- Model Homes or Apartments
- Newspaper Offices
- Small Claims Court

ORGANIZATIONS

- Bankers Association
- Bar Association
- Better Business Bureau
- Chamber of Commerce
- Community Action Groups
- Consumer Organizations
- Extension Service
- Food and Drug Administration
- Housing Bureau
- Internal Revenue Service
- Legal Aid Society
- Medical Associations
- Social Security Administration
- State Departments of Education
- Urban League



WAYS TO USE COMMUNITY RESOURCES

Interviews

Students can learn a great deal and at the same time gain confidence in finding information and communicating with business and government by making appointments and talking with authorities in different fields related to consumer interests. Assign individuals or partners to contact an authority in a specific field to set up an interview, then report findings to the class and possibly to write an article about the interview for the school paper. Interviews can also be taped and played back to the class.

Example: The class wants to know how fashions are selected for sale in department stores each season. Assign one or two students to set up an interview with the soft lines merchandise manager or fashion buyer in one or two local stores. Questions for the interview might include:

- Where are the fashions purchased and when?
- How are they chosen?
- How are sizes, styles and quantities determined for each type of clothing?
- What market(s) does the store cater to?
- How do buyers analyze needs and decide what will sell?
- What happens when a buyer makes a mistake?
- How does the store dispose of slow moving merchandise?

Surveys

By making a survey in the classroom, school, neighborhood or community, students develop an overview of subject matter that helps them gain perspective. Surveys can be conducted by mail, telephone or personal contact. Suggested topics include:

- **Allowances.** Who gets an allowance? At what age? How much? How is it used? How often is it paid? Does it help to manage money?
- **Buying habits.** What do students buy? What do they pay? Where do they buy? How often? Are purchases planned or unplanned? Do they buy independently or with the help of their parents? Do they make many mistakes? What are the greatest problems?
- **Consumer problems.** Survey fellow students and/or parents regarding recent problems in the marketplace, amount of money involved, the cause of the difficulty, how it was handled and whether it was avoidable.

Field Trips

Seeing business, government or professional people in action can show students much about the business world, the community, the economy, and the important role of the consumer in real life. Possibilities for field trips include credit bureaus, testing laboratories for consumer products, shopping trips to department stores or supermarkets, small claims court, visits to model homes or apartments, car dealerships, banks, and loan companies.

Example: A shopping trip to a large department store can introduce students to:

- merchandise and prices in different departments.
- customer services provided by the store.
- retailer's and saleperson's point of view in dealing with customers.
- job opportunities in retailing.

Guest Speakers

Outside speakers can bring authenticity, insight and new information to consumer education classes. Often a complete stranger—an authority—can tell a class the same thing you have been saying over and over and it finally makes an impression. Many of the people listed in the Community Resources chart can be called upon to speak about their field and its relationship to consumer education.

Materials Display

Everything from merchandise to printed materials can be used for display and reference in consumer education classes. Many companies and organizations make materials available for distribution, loan, display and reference. You might make it a student project to contact the organizations and government offices on pages 62 through 65 for information that each makes available. Materials that are related to subjects being studied can be ordered and set up for student use.

PREPARING FOR FIELD TRIPS, SPEAKERS AND PROGRAMS*

The success of a field trip, talk or program depends largely on planning it to fit into the curriculum at the right time—and on preparing students as well as alerting speakers and others to the objectives of the lesson.

To gain the maximum benefits from planned activities—students need to know:

- ☐ the purpose of the field trip, talk or program.
- ☐ its relationship to the material being studied.
- ☐ background information on speakers or places to be visited.
- ☐ questions to be answered and understandings to be gained through the activity.
- ☐ points to keep in mind for evaluation after the activity or special program is completed.

Those conducting programs need to know:

- ☐ general background of the students.
- ☐ size and makeup of the audience.
- ☐ purpose of the talk, trip or program.
- ☐ date and time, as well as length of time allotted for the presentation.
- ☐ physical set-up and equipment available for the program.
- ☐ guidelines for the presentation.

Arrangements Checklist

- ☐ Has transportation been arranged?
- ☐ Have necessary prearrangements with school, parents, students, participants and others involved been made?
- ☐ Has visual and other equipment been pretested? Is it ready to be used?
- ☐ Are seating arrangements adequate and comfortable?
- ☐ Has the program been publicized through notices to school and local newspapers, to parents, to students, to other teachers and administrators?

*For suggestions on contacting speakers, arranging field trips, or obtaining materials, see the Sample Letters in the Appendix, pages 67 through 70.

STANDARDS FOR JUDGING THE EDUCATIONAL VALUE OF RESOURCES

Because countless resources are available in the field of consumer education, judging the educational value of such materials, programs and activities can be a major undertaking. You may find the following guidelines helpful as you evaluate these resources before introducing them to students in consumer education units.

Content of Materials, Programs And Activities

- ☐ Will the content meet the needs and interests of students?
- ☐ Will it motivate learning and create interest in the subject?
- ☐ Is it realistic and related to the experiences of students?
- ☐ Is it timely, current, up-to-date?
- ☐ Is it accurate, objective and unbiased?
- ☐ Will it improve the student's ability to know, comprehend, apply, analyze, synthesize and evaluate information and experiences?
- ☐ Does it supplement classroom materials and texts?
- ☐ Is the material authoritative?
- ☐ Does it introduce learners to new sources of information for the future as well as the present?
- ☐ Will it contribute to the students' understanding of consumer economics and role as a consumer?

Format of Materials

- ☐ Is the material easy to read and understand?
- ☐ Is it easy to use and handle?
- ☐ Is it attractive and well illustrated?
- ☐ Is the information presented in a logical, well organized manner?
- ☐ Does it offer helpful suggestions and directions for effective use in the classroom?

Source and Availability of Materials

- ☐ Is the material readily available when you want it?
- ☐ Is it reasonably priced according to its value?

The following three questions also will help you evaluate resources and understand the different viewpoints presented.

- ☐ Who prepared the materials?
- ☐ Who sponsored the material and why?
- ☐ What authority was the source of the materials?

BEYOND THE COMMUNITY

NEWSPAPERS, MAGAZINES AND WAYS TO USE THEM

The types of current printed materials with potential classroom use are almost unlimited. Every daily and weekly newspaper and most consumer magazines offer articles, advertisements, columns or sections related to consumer issues and education.

There are a number of ways to use these newspapers, magazines and other periodicals to your advantage. The following chart briefly outlines information related to consumer education in various sections of the daily and Sunday newspapers. It is followed by suggestions for using other print media in the classroom.

DISSECTING THE DAILY NEWSPAPER

SECTION	INFORMATION RELATED TO CONSUMER EDUCATION
CLASSIFIED ADS	
Jobs	Job opportunities, pay schedules, working conditions, training and educational requirements, qualifications
Housing	Homes and apartments for rent or sale in different areas, purchase and rental costs in current markets, availability of different types of housing
CARTOONS	Humorous side of various topics related to money management and consumer education
TV & RADIO	Programs related to consumer interests
EDITORIALS	Comment on current issues in business, employment, politics, government, the economy and other items affecting consumers
FINANCIAL NEWS	Stock market reports, government regulations affecting business, prices, company earning reports, new products and developments, business planning, economic conditions
WOMENS PAGES	
Fashion	New trends, pointers on clothing selection, wardrobe planning, tips on sewing and clothing care
Food	Weekly specials in grocery stores, seasonal buys, menu planning, budget meals, shopping guides and recipe ideas
Home	Trends and ideas in home furnishings and decorating, pointers on shopping and caring for furniture and home furnishings
ADVERTISEMENTS	Prices, features, new products, coupons, use and care information on products, special offers, information on company policies and store planning which affect consumers
NEWS: **Local, National and International**	Events and personalities in the business and government worlds which affect the consumer and the economy

MAKING THE MOST OF PRINT MEDIA

Collect several articles on a specific topic such as credit legislation or energy labeling. Analyze each article as to author, source, slant or bias, authenticity, and relationship to the consumer and business.

Obtain three or four articles from newspapers and news magazines on a single topic such as inflation or consumer protection. Compare the articles and discuss how and why they differ in outlook.

Compile a reader's guide on a specific topic such as buying a lo[illegible]peed bicycle or remodeling a kitchen. Tabulate recently published information and buying guides. Supplement with information from various companies, associations and retailers. Put together all of the information one would need or could use before making a purchase.

Make a bulletin board of articles, advertisements, columns and pictures related to a specific topic such as fall fashions, trends in home furnishings or recreation equipment.

Set up a comprehensive card catalog of articles published on various topics related to consumer interests.

Contact the reader service or information office of a major newspaper by telephone or letter and find out what types of information are made available to interested consumers, how the information is collected and stored, etc.

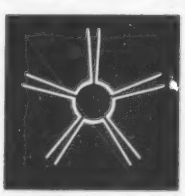
Plan a trip to a major newspaper office. Find out how news is gathered, compiled and published.

Tabulate information published on various topics of interest to the consumer. List topic, author, publication, date and a brief summary.

Collect newspaper and magazine advertisements and rate them according to the helpful information they provide. Set up criteria for measuring the value of advertisements from the consumer point of view.

Gather cartoons that present a humorous side of economic and consumer issues. Use them for a bulletin board or make them into transparencies to use in introducing new material to students.

Gather articles on personalities in the news who make decisions that affect consumers. Make up a file of VIPs in different areas of consumer interest. Draft letters to important persons expressing the consumer point of view, requesting specific action, criticizing or approving specific actions.



OTHER REFERENCE MATERIALS

Reference materials as well as various types of consumer information and services are available from a variety of sources. These include trade associations, nonprofit groups, professional organizations, government agencies and private industry. The following listings are by no means comprehensive, but they do provide some insight into the many resources available to you and your students.

Although individual companies are not included, their names and addresses frequently appear in bibliographies available from trade associations and state curriculum centers. Look also for reviews of new sponsored materials that appear in professional publications.

State, county and local government offices and nongovernment organizations that offer consumer aids and protection can usually be located in your local telephone directory.

To obtain appropriate resources for classroom use, write—or assign students to write—for a listing of publications from each source. Then order those materials best suited to your needs and the content areas being covered in the unit.

ASSOCIATIONS AND ORGANIZATIONS

AFL-CIO
815 Sixteenth Street, N.W.
Washington, DC 20006

American Bankers Association
1120 Connecticut Ave., N.W.
Washington, DC 20036

American Bar Association
1155 East 60th St.
Chicago, IL 60637

American Council on Consumer Interests
162 Stanley Hall
University of Missouri
Columbia, MO 65201

American Council on Life Insurance
1850 K St., N.W.
Washington, DC 20006

American Gas Association
1515 Wilson Blvd.
Arlington, VA 22209

American Home Economics Association
2010 Massachusetts Ave., N.W.
Washington, DC 20036

American Medical Association
535 N. Dearborn St.
Chicago, IL 60610

American National Standards Institute
1430 Broadway
New York, NY 10018

AutoCAP
c/o National Automotive Dealers Association
8400 West Park Dr.
McLean, VA 22101

Center for Auto Safety
P.O. Box 7250
Ben Franklin Station
Washington, DC 20044

Chamber of Commerce of the United States*
1615 H St., N.W.
Washington, DC 20062

Consumer Electronics Group
Electronic Industries Association
2001 Eye St., N.W.
Washington, DC 20006

Consumer Federation of America
1012 Fourteenth St., N.W.
Washington, DC 20005

Consumer's Research, Inc.
Bowerstown Rd.
Washington, NJ 07882

Consumers Union of the United States
256 Washington St.
Mount Vernon, NY 10550

Cooperative League of the U.S.A.
1828 L St., N.W.
Washington, DC 20036

Council of Better Business Bureaus*
1150 Seventeenth St., N.W.
Washington, DC 20036

Credit Union National Association Inc.
(CUNA)
P.O. Box 431
Madison, WI 53701

Furniture Industry Consumer Action Panel
(FICAP)
P.O. Box 951
High Point, NC 27262

Gas Appliance Manufacturers Association, Inc.
1901 N. Ft. Myer Dr.
Arlington, VA 22209

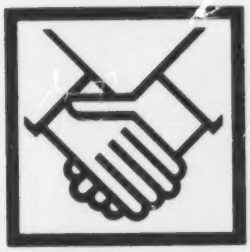
Grocery Manufacturers of America
1010 Wisconsin Ave., N.W.
Washington, DC 20007

Insurance Information Institute
110 William St.
New York, NY 10038

International Fabricare Institute
12251 Tech Rd.
Silver Spring, MD 20910

Joint Council on Economic Education
1212 Avenue of the Americas
New York, NY 10036

*See telephone directory for local listing



League of Women Voters
of the United States
1730 M St., N.W.
Washington, DC 20036

Major Appliance Consumer
Action Panel
(MACAP)
20 N. Wacker Dr.
Chicago, IL 60606

Manufacturing Chemists
Association
1825 Connecticut Ave., N.W.
Washington, DC 20009

Men's Fashion Association
of America
1290 Avenue of the Americas
New York, NY 10019

Metal Cookware Manufacturers
Association
P.O. Box D
Fontana, WI 53125

Motor Vehicle Manufacturers
Association of the United States
320 New Center Building
Detroit, MI 48202

National Association of Home
Builders of the United States
Fifteenth and M Sts., N.W.
Washington, DC 20005

National Association of
Manufacturers
1776 F St., N.W.
Washington, DC 20006

National Association of Secondary
School Principals
1904 Association Dr.
Reston, VA 22091

National Consumer Finance
Association
1000 Sixteenth St., N.W.
Washington, DC 20036

National Consumer Law Center
1 Court St.
Boston, MA 02108

National Consumers League
1028 Connecticut Ave., N.W.
Suite 522
Washington, DC 20036

National Dairy Council
6300 N. River Rd.
Rosemont, IL 60618

National Education Association
1201 Sixteenth St., N.W.
Washington, DC 20006

National Foundation for
Consumer Credit Inc.
Federal Bar Building West
1819 H St., N.W.
Washington, DC 20006

National Home Fashions League
107 World Trade Center
P.O. Box 58045
Dallas, TX 75258

National Live Stock and
Meat Board
444 N. Michigan Ave.
Chicago, IL 60611

National Safety Council
444 N. Michigan Ave.
Chicago, IL 60611

National Tax Association—
Tax Institute of America
21 E. State St.
Columbus, OH 43215

National Tax Payers Union
325 Pennsylvania Ave., S.E.
Washington, DC 20003

Public Affairs Committee
381 Park Ave. S.
New York, NY 10016

Public Interest Research Group
P.O. Box 19312
Washington, DC 20036

Soap and Detergent Association
475 Park Ave. S.
New York, NY 10016

Tax Foundation
50 Rockefeller Plaza
New York, NY 10020

Tire Industry Safety Council
National Press Building
Suite 766
Washington, DC 20045

Toy Information Bureau
Toy Manufacturers of America
200 Fifth Ave.
New York, NY 10010

FEDERAL GOVERNMENT AGENCIES*

Office of Public Inquiry
Administration On Aging
Washington, DC 20201

Office of Information
Bureau of Labor Statistics
Washington, DC 20212

Office of Communications
Bureau of Outdoor Recreation
Washington, DC 20240

Office of the Consumer Advocate
Civil Aeronautics Board
Washington, DC 20423

Office of Public Affairs
Civil Service Commission
Washington, DC 20415

Consumer Information Catalog
Consumer Information Center
Pueblo, CO 81009

Bureau of Information
and Education
Consumer Product Safety
Commission
5401 Westbard Ave.
Bethesda, MD 20207

Office of Communication
Department of Agriculture
Washington, DC 20230

Office of the Ombudsman
Department of Commerce
Washington, DC 20230

Office of Consumer Affairs
Department of Health, Education
and Welfare
Washington, DC 20201

Office of Consumer Affairs
Department of Energy
Washington, DC 20585

Program Information Center
Department of Housing and
Urban Development
Washington, DC 20410

Office of Public Information
Department of Justice
Washington, DC 20530

Office of Information,
Publications and Reports
Department of Labor
Washington, DC 20210

Office of Public Affairs
Department of the Interior
Washington, DC 20240

Information Center
Department of Transportation
Washington, DC 20590

Office of Public Affairs
Department of the Treasury
Washington, DC 20220

Office of Information
Employment and Training
Administration
Washington, DC 20213

Office of Information
Employment Standards
Administration
Washington, DC 20210

Office of Public Awareness
Environmental Protection Agency
Washington, DC 20460

Office of Public Affairs
Federal Aviation Administration
Washington, DC 20591

Office of Public Information
Federal Communications
Commission
Washington, DC 20554

Office of Saver and Consumer
Affairs
Federal Reserve System
Washington, DC 20551

Office of Public Information
Federal Trade Commission
Washington, DC 20580

*See U.S. Government Offices in your telephone directory for local and regional offices.

Consumer Inquiry Section
Food and Drug Administration
5600 Fishers Lane
Rockville, MD 20852

Customer Information Branch
Services Section
Government Printing Office
Washington, DC 20401

Public Affairs Division
Internal Revenue Service
Washington, DC 20224

Office of Public and
Consumer Information
Interstate Commerce Commission
Washington, DC 20423

Central Services Division
Library of Congress
Washington, DC 20540

National Archives and Records
Service
National Audiovisual Center
Washington, DC 20409

Office of Information Activities
National Bureau of Standards
Administration Building,
Room A640
Route 270 and Quince Orchard Rd.
Gaithersburg, MD 20234

Office of Public Affairs and
Consumer Services
National Highway Traffic
Safety Administration
Washington, DC 20590

Division of Public Information
National Institutes of Health
9000 Rockville Pike
Bethesda, MD 20014

Public Affairs Office
National Park Service
Washington, DC 20240

Office of Public Information
Securities and Exchange
Commission
Washington, DC 20549

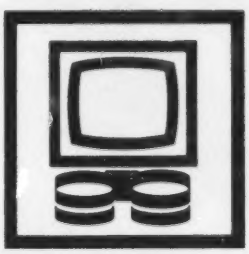
Office of Public Information
Small Business Administration
Washington, DC 20416

Division of Public Inquiries
Social Security Administration
6401 Security Blvd.
Baltimore, MD 21235

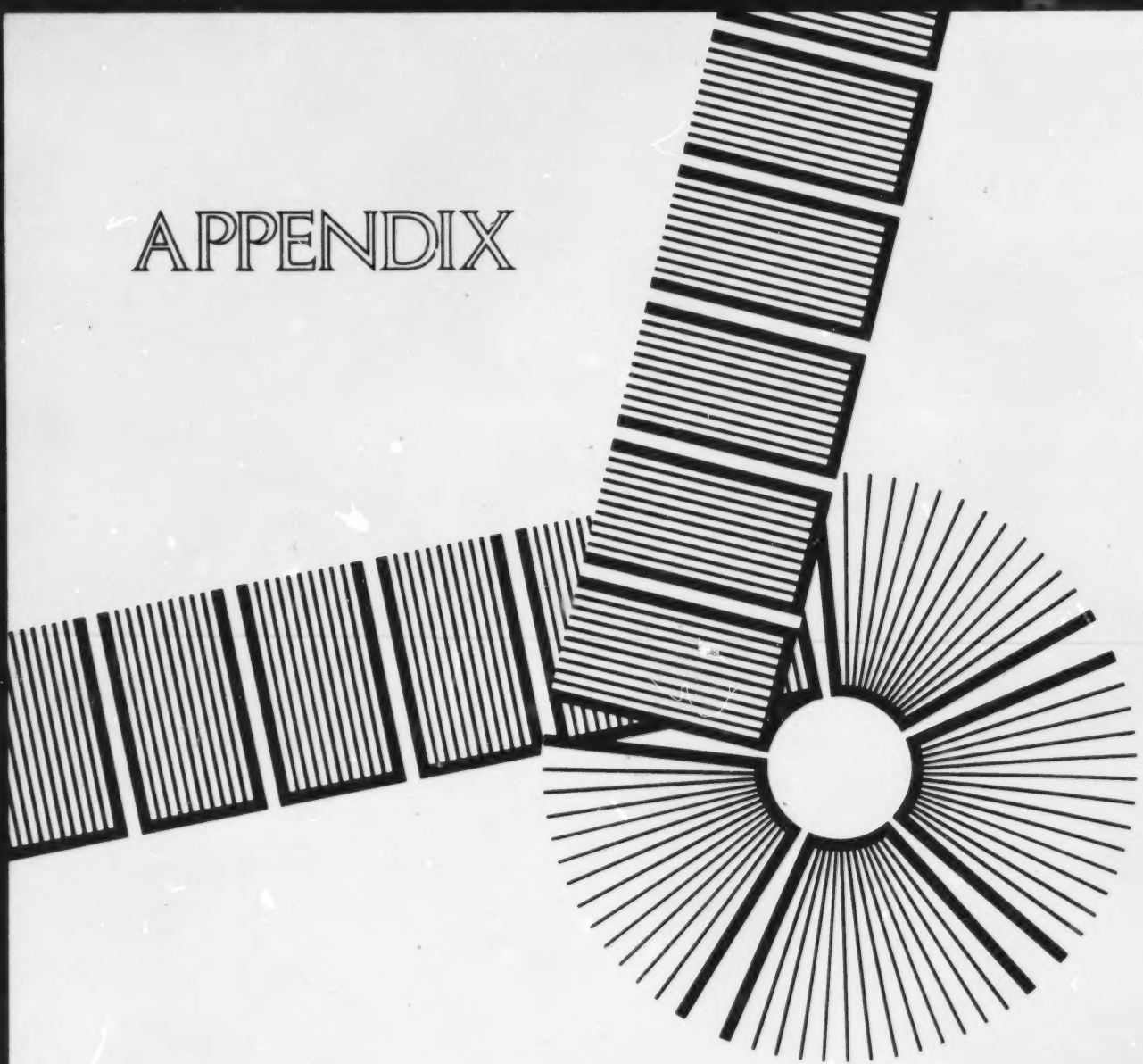
Office of Veterans Services
Veterans Administration
Washington, DC 20420

BOOKS AND AV MATERIALS

There are a number of excellent reference books and audio-visual aids covering all areas of consumer education for both student and teacher use. Rather than list them individually, since new titles are issued frequently and others are similarly revised, it is suggested that you may write directly to the publishers and film distributors that your school district is currently doing business with. Most publishing houses will furnish examination copies of books and other materials that you think may be relevant to the study unit.



APPENDIX



SAMPLE LETTERS

By using sample letters as a guide, students will be able to carry out much of the correspondence involved in obtaining and utilizing outside resources. Assign student correspondents to revise the following sample letters to suit specific needs and requests.

#1 INVITATION TO A SPEAKER

Address
Date

Name
Title
Association or Organization
Address
City, State, Zip

Dear _____:

The consumer education class of (insert name) High School will be studying (insert topic) in the near future. We are looking for a speaker to make this unit more realistic and meaningful to the students. Could you or a member of your organization find time to talk to our group about your experience in this field?

We would like to schedule the presentation for (insert time) on (insert date*). Time for the talk would be approximately 30 minutes, followed by a brief period for questions and discussion. We are particularly interested in learning more about (insert key points to cover).

We look forward to your reply. If you can be with us, (insert name), the student in charge of arrangements, will contact you to arrange final details and to obtain biographical information for publicity and introductions.

If you have questions, please call me at (insert telephone number) between the hours of (insert time) and (insert time).

Sincerely,

Address
Date

Name
Title
Organization
Address
City, State, Zip

Dear _____:

The consumer education class of (insert name) High School will soon be studying shopping techniques. To make this unit more meaningful to students, we feel that they would benefit from a guided tour of a local department store.

Will (name of store) be willing to cooperate with us for this purpose? There will be approximately (insert number) students and two teachers. We will try to arrange the timing of the visit to suit your convenience. Time in the store will be about one hour. We will make all arrangements for transportation.

The primary purpose of the tour is to introduce students to:

- Merchandise and prices in different departments.
- Services provided by the store.
- The retailer's and salesperson's point of view in dealing with customers.

Also, we will be interested in any other points you care to bring to the attention of the class.

If you agree to the proposed tour, please call me at (insert telephone number) so that we can arrange final details including a convenient time for you and your staff. I look forward to hearing from you.

Sincerely,

Address
Date

Title or Department
Association or Organization
Address
City, State, Zip

Dear _____:

The consumer education class of (insert name) High School is compiling and cataloging reference materials on various aspects of money management and consumer information. We would be most grateful for a current listing and/or sample copies of any materials your organization makes available in this field.

If you offer publications for free distribution to students, these too would be most welcome in a quantity of (insert number).

Materials may be shipped to:
School
Attention: (insert name and department)
Address
City, State, Zip

We appreciate any help you can offer us in this effort to assemble a library of helpful reference materials. Any publications you send will receive attention from both students and teachers.

Thank you for your cooperation.

Sincerely,

Address
Date

Name
Title
Association or Organization
Address
City, State, Zip

Dear _____:

On behalf of the entire consumer education class of (insert name) High School, let me thank you for (insert--talk, tour and/or materials). Your contributions to the unit we are studying were most interesting and stimulating.

We appreciate your cooperation and generosity.

Sincerely,